DOCUMENT RESUME

ED 448 277 CE 081 035

AUTHOR	La Prad, Jeannine; Sand, Sharon
TITLE	Integration of Welfare and Workforce Development Systems in the Midwest: Analysis of Implementation.
INSTITUTION	Corporation for a Skilled Workforce, Ann Arbor, MI.
SPONS AGENCY	Joyce Foundation, Chicago, IL.
PUB DATE	1999-12-00
NOTE	47p.
AVAILABLE FROM	Corporation for a Skilled Workforce, 2890 Carpenter Road, Suite 1600, Ann Arbor, MI 48108; Tel: 734-971-6060; E-mail: info@skilledwork.org.
PUB TYPE	Reports - Evaluative (142)
EDRS PRICE	MF01/PC02 Plus Postage.
DESCRIPTORS	Agency Cooperation; Case Studies; Change Strategies; Comparative Analysis; Cooperative Planning; *Coordination; *Delivery Systems; Educational Cooperation; Educational Finance; Educational Legislation; Employment Programs; Employment Services; Federal Legislation; Financial Support; *Labor Force Development; Partnerships in Education; Policy Formation; Program Effectiveness; Program Implementation; Public Policy; State Agencies; State Programs; Statewide Planning; Strategic Planning; Systems Approach; Transitional Programs; *Welfare Recipients
IDENTIFIERS	Temporary Assistance for Needy Families; *United States (Midwest); Welfare Reform; *Welfare to Work Programs; Workforce Investment Act 1998

ABSTRACT

Progress in integration of state-level welfare and work force development systems in the Midwest was examined through case studies of 10 communities in 7 states. The case studies focused on local-level coordination and/or integration between the welfare and work force development systems. Despite legislative mechanisms to encourage collaboration, separate funding streams were still keeping the two systems apart in six of the seven states. Despite recent shifts in agencies' work and goals, the welfare and work force development systems were continuing to operate independently of one another. The following were among the identified challenges to collaboration: changing organizational missions; organizational staffing issues; lack of coordinated service delivery; disconnected funds; and lack of shared outcomes. The following are among the eight strategies recommended for achieving integration: (1) increase the flexibility of federal and state program regulations; (2) develop common reporting and performance measures for welfare-to-work programs to encourage joint planning and coordinated service delivery; (3) identify collaborative strategies that have proved effective in different settings; and (4) gather unified local employer relations teams to develop partnerships with employers. (The bibliography contains 19 references. The following items are appended: a state matrix; local site descriptions; and a list of project participants.) (MN)

Reproductions supplied by EDRS are the best that can be made
from the original document.

ED 448 277

Integration of Welfare and Workforce Development Systems in the Midwest:

Analysis of Implementation

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☑ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY
J. LaPrad
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
1

December 1999

CE 081 035

BEST COPY AVAILABLE

Integration of Welfare and Workforce Development Systems in the Midwest: Analysis of Implementation

Prepared By:

Jeannine La Prad
Sharon Sand

Corporation for a Skilled Workforce
2890 Carpenter Road, Suite 1600
Ann Arbor, MI 48108

Acknowledgements

Corporation for a Skilled Workforce (CSW) wishes to thank all of the project participants who were so generous in sharing their time and knowledge with us to make this project a success. Funding for the *Integration of Welfare and Workforce Development Systems in the Midwest: Analysis of Implementation* project was provided by The Joyce Foundation. CSW offers sincere thanks and appreciation to our program officer, Unmi Song, and The Joyce Foundation for their ongoing support and encouragement of our work.

The findings and conclusions presented herein do not necessarily represent the official positions or policies of the sponsor.

For additional information on the project or to request additional copies of the report please contact:

Corporation for a Skilled Workforce
2890 Carpenter Road, Suite 1600
Ann Arbor, MI 48108
(734) 971-6060
info@skilledwork.org

Corporation for a Skilled Workforce (CSW) is a national non-profit policy organization based in Ann Arbor, Michigan. CSW provides research, technical assistance, and program development/implementation support to clients who are trying to engage a variety of stakeholders in addressing the training needs of both job-seekers and employers. CSW helps states and communities research alternative workforce development policies and program strategies, build the capacity of One-Stop career centers and workforce investment boards, and manage large-scale systems change efforts. CSW principals have more than 70 years combined experience working with private industry councils and workforce boards, state human resource investment councils, employment and human service agencies, education and training institutions, employers, community based organizations, and state and local elected officials to create more effective workforce development systems. CSW combines cutting-edge expertise in policy development with extensive hands-on experience implementing systems change to provide its customers with practical solutions.

Table of Contents

Executive Summary 1

Section One—Introduction and Project Overview 3

Section Two—Project Findings 8

Section Three—Implications of Project Findings 21

Section Four—Next Steps 24

References 26

Appendix I—State Matrix 28

Appendix II—Local Site Descriptions 30

Appendix III—Project Participants 40

Executive Summary

Over the last several decades, the welfare and workforce development systems have been developed in this country to assist individuals who are low-income, no-income or otherwise economically disadvantaged. Recent changes at the federal level, including the One-Stop career center initiative, Welfare Reform, and the Workforce Investment Act are forcing states and local communities to rethink the scope and method of service delivery under both systems.

Corporation for a Skilled Workforce (CSW) has been deeply involved in the development of changes on the workforce development side of the equation and recognized that the One-Stop career center initiative has raised the need to address issues involving the intersection of the welfare and workforce development systems. In the midst of these system reform efforts, a number of states and local communities were also questioning how these systems could better coordinate and/or integrate their services to meet the needs of welfare participants and other economically disadvantaged individuals.

CSW became very interested in this issue and wanted to better understand the relationship between the welfare and workforce development systems in the Midwest. With support from The Joyce Foundation, CSW conducted research between August 1997 and August 1999 to learn how local communities in seven Midwestern states (Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio and Wisconsin) were providing employment and training services to Temporary Assistance for Needy Families (TANF) participants.

The Research Study

Primary objectives of this research were to learn how state level workforce development and welfare systems are structured to meet the needs of TANF participants and how state strategies are playing out at the local level, especially in large urban areas. With the passage of federal Welfare-to-Work legislation and the Workforce Investment Act, we also decided to explore the impact of these federal policies on the collaboration of welfare and workforce development systems.

The major focus of our work was analyzing the level of coordination and/or integration between the two systems at the local level in ten communities (Chicago, Cincinnati, Cleveland, Des Moines, Detroit, Indianapolis, Milwaukee, Minneapolis, Steuben County Indiana, and Southwest Wisconsin). Through the research project we hoped to gain a better understanding of the relationship between the welfare and workforce development systems in the Midwest and the choices states and local communities are making with regard to the provision of employment and training related services to welfare participants.

Project Findings

One major finding of this research is that despite legislative mechanisms to encourage collaboration, separate funding streams are still keeping state welfare and workforce development systems apart. In six out of the seven states in our study, the state level workforce development and welfare structures

are largely the same separate systems that existed before welfare and workforce development reform. In some communities these separate funding streams and different reporting requirements are inhibiting the integration of welfare and workforce development services.

Another key finding is that despite recent shifts in the work and goals of both welfare and workforce development agencies, which brings them more in line than ever before, the welfare and workforce development systems continue to operate primarily independently of one another. A third important finding contradicted one of our original assumptions - that states and local communities are currently grappling with the issue of whether the workforce development and welfare systems should be integrated or remain separate. While some communities have been addressing whether and/or how to coordinate the employment and training services of different agencies for years, others are only beginning to discuss this issue.

Finally, in communities where the welfare and workforce development systems collaborate, the collaboration stems from efforts undertaken at the local level, rather than at the state level. Many local stakeholders suggest that without mutual trust, understanding and a desire to improve service delivery and maximize efficiency among local planners and service delivery staff, any direction or precedent set by the state is irrelevant.

Implications and Next Steps

No research to date has proven that forming partnerships and developing collaborative service delivery systems increases efficiency and effectiveness. Nonetheless, we found that stakeholders *believe* that greater collaboration between the welfare and workforce development systems could improve program efficiency and outcomes. In addition, we believe that meaningful relationships between these systems can be created, for most of the system stakeholders are receptive to improving coordination of service delivery.

Joint planning of welfare-to-work initiatives is a logical first step toward realizing the benefits of coordinating the complementary functions of welfare and workforce development agencies. However, local practitioners face significant challenges to achieving the collaboration that must be overcome in order to build collaborative linkages that will minimize duplication of effort and maximize the quality of services for those in need.

Commitment from state and community leaders is essential to help local practitioners overcome these barriers and succeed in system reform and integration. Given the challenges of coordination, creating a more effective welfare-to-work system requires developing new relationships with stakeholders from the public and private sectors to gain a better understanding of both the benefits and limitations of coordinating service delivery across welfare and workforce development systems.

While efforts to better coordinate the employment and training services of the two systems in the Midwest are underway, information on the strategies being employed and quantitative evidence of their effectiveness is limited. Policymakers need to examine more closely the impact of collaborative efforts and to determine which collaborative strategies have the greatest positive impact on outcomes. Without substantial evidence that partnerships really work and that relationships between public agencies and with other relevant organizations are beneficial, many stakeholders in the welfare and workforce development systems will continue to emphasize the barriers to collaboration rather than focus on successful strategies.

Section One—Introduction and Project Overview

Over the last several decades, two primary systems have developed in this country to assist individuals who are low-income, no-income or otherwise economically disadvantaged; the welfare system and the workforce development system. Two distinct bureaucracies have grown at the federal, state and local levels to provide services under these two systems. However, changes at the federal level are forcing states and local communities to rethink the scope and method of service delivery under both systems. These changes include:

- One-Stop Career Center Initiative
- Welfare Reform
- Workforce Investment Act

Welfare and Workforce Development System Reform

In response to the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in 1996 and implementation of the Temporary Assistance for Needy Families (TANF) program, state and local welfare agencies are shifting attention from determining eligibility and paying benefits to working with program participants and applicants to secure jobs and maintain a strong workforce attachment.[1] Workforce development agencies are also assuming new roles. The Balanced Budget Act of 1997 was signed in August of that year and in January 1998, the U.S. Department of Labor began to provide Welfare-to-Work formula grants to local areas to improve job placement, retention, and advancement of the hardest-to-employ TANF population.[2] In addition, the Workforce

Investment Act of 1998 (WIA) encourages workforce agencies to become more responsive to employer needs and to serve a broader clientele that includes individuals currently employed and welfare recipients facing multiple barriers to employment.[3] As a vehicle for delivering workforce development services, "One-Stop career centers" have opened around the nation during the past several years. However, the quality of these centers varies widely; some centers only change preexisting agency services in minor ways, while others represent entirely new entities with a broader market presence in their communities and states.[4]

A key principle of the Workforce Investment Act calls for the streamlining of workforce development services through better integration at the street level via the One-Stop career center system. In an effective One-Stop center, programs and providers are colocated and activities and information are coordinated and integrated so that the system as a whole is coherent, efficient and accessible to individuals and businesses alike. Although the welfare system is not a mandated partner in the delivery of employment and training and support services under WIA, federal Welfare-to-Work and PRWORA policy requirements are bringing employment retention strategies to the forefront in states and communities. Hence, helping low-wage workers stay employed and progress in the

[1] For more on PRWORA and TANF, see Bloom, 1997.

[2] For more on the federal W-t-W program, see Perez-Johnson and Hershey, 1999.

[3] For an overview of WIA, see U.S. Department of Labor, 1998.

[4] For further information on One-Stop career centers, see Kogan et al., August 1997.

labor market is becoming a central component and strategy of both the welfare and workforce development systems.

CSW has been deeply involved in the development of changes in the workforce development arena and has worked at the federal, state and local levels to design and implement One-Stop career centers. Even prior to the passage of PRWORA in 1996 CSW recognized that the One-Stop career center initiative had raised awareness in some states of the need to address issues surrounding the intersection of the two systems. Through our experience assisting multiple stakeholder levels in the One Stop arena to move through a process of visioning, conflict resolution, system building and implementation, we found that at the heart of these changes was a broad policy question with which states and local communities were grappling at varying levels:

How should the workforce development and welfare systems better coordinate and/or integrate their services to best serve the needs of welfare participants and other economically disadvantaged individuals?

Emerging Issues

As the push to create One-Stop centers in the Midwest gains momentum, a number of issues are emerging which are poorly understood or recognized by policy makers, yet which are crucial to determining how to better coordinate services delivered through the two separate systems. These issues, described below, are based on CSW's prior involvement with changes in the workforce development system and on discussions with state and local policymakers and practitioners throughout this project.

- **The welfare system is moving from being primarily a conduit for the payment of benefits to individuals in need of assistance to a conduit for job placement.**

  Welfare offices have traditionally operated small training and placement operations for a subset of their clients. The changes in federal welfare legislation and the corresponding changes in state policies are forcing an exponential increase in scale of these operations. The PRWORA legislation mandated that 25% of welfare recipients must be working by the end of 1997; 50% by 2002. However, the legislation failed to take into consideration many realities of the labor market and the fact that the road to finding a good-paying job is often long and difficult for economically disadvantaged individuals; sometimes keeping a job is even harder than finding one. Because of these constraints, many welfare agencies are making choices to restructure the role of front line workers, to re-train staff to provide quality welfare-to-work[5] services, and in some cases to utilize the resources of the workforce development system to provide this type of assistance to clients.[6]

- **Welfare and workforce goals are becoming more closely linked as federal welfare and workforce development legislation emphasizes immediate workforce attachment rather than long-term education and training.**

  Recent reforms of both welfare and workforce development policy emphasize the priority of work.[7] The welfare system is

[5] For this report, we defined "welfare-to-work" as the employment and training services provided to TANF recipients by both the welfare and workforce development systems; "Welfare-to-Work" is defined as the U.S. Department of Labor's federal grant program.
[6] For more on service delivery issues, see Meyers, 1998.
[7] See Nathan and Gais, 1998; and Grubb et al., 1999.

promoting work as a way to reduce dependency on public assistance, while the workforce development system is encouraging more work-oriented activities that are responsive to employer needs. Prior to welfare reform, the welfare system encouraged participants to enroll in long term training and education programs prior to looking for employment. The goals of the two systems have now converged with both systems currently focused on connecting individuals to the labor market before providing short-term training opportunities. Therefore, the two systems may each benefit by coordinating or integrating services to help clients move into and progress within the labor market in order to achieve self-sufficiency. However, despite the convergence of welfare and workforce development system goals, in many areas the two systems continue to function independently.

- **Federal welfare and workforce development legislation allows for the coordination and/or integration of welfare and workforce development systems but does not require it.**

  Despite the welfare system's dramatic shift to rapid job placement as a requirement for individuals to receive benefits, there has been little attempt at the federal level to link the workforce development and welfare systems. There continue to be separate departments with distinct policy making committees. In addition, the Workforce Investment Act fails to include the welfare system as a mandatory partner in local One-Stop systems. This failure by Congress to recognize the importance of coordinating the employment services provided by welfare agencies with those of the nation's workforce development system has hindered such efforts in many areas. Achieving coordinated planning and service delivery between required partners is considered a higher priority. However, the needs of unemployed, entry level workers may be met more efficiently and effectively through the coordination of the job placement, retention, and training services of welfare and workforce development systems.

Based on these issues and our interest in better understanding the relationship between the welfare and workforce development systems in the Midwest, CSW launched a research effort, with the support of the Joyce Foundation. The goals of this effort were:

- *to learn how states and communities in the Midwest are using and/or integrating the welfare and workforce development systems to serve the needs of low income and economically disadvantaged individuals, especially in large urban areas; and*

- *to disseminate the findings in ways that are useful to policymakers and practitioners in both systems.*

The impetus for conducting this research also came from our customers, One-Stop career center operators and local workforce leaders. We saw the policy makers and practitioners that we were working with across the region and the nation struggling with the very issue we wanted to explore. We know they welcomed our assistance analyzing how welfare reform efforts could better connect with their efforts to improve the workforce development system.

The Research Methodology

Based on our two goals and the emerging set of issues, CSW defined more specific policy questions that guided our research. These questions were tied directly to the following specific research objectives for this project:

- *to learn how state level workforce development and welfare systems are structured to meet the needs of TANF participants and other economically disadvantaged individuals in the Midwest;*
- *to understand how state strategies are playing out at the local level, especially in large urban areas;*
- *to understand the service delivery approaches being employed at the local level and why these strategies were chosen; and*
- *to explore the impact of DOL Welfare-to-Work funds and the passage of the Workforce Investment Act on the collaboration of welfare and workforce development systems.*

Data pertaining to our research objectives were obtained through a methodology that included state level research and local level case studies.[8] The major focus of our work was analyzing the level of coordination and/or integration between the two systems at the local level in the following Midwestern communities: Chicago, Cincinnati, Cleveland, Des Moines, Detroit, Indianapolis, Milwaukee, Minneapolis, Steuben County Indiana, and Southwest Wisconsin.

State Level Research

We conducted interviews, in person and over the phone, with state level policy makers involved in both workforce development and welfare reform in each of the seven states included in the project: Illinois, Indiana, Iowa, Michigan, Minneapolis, Ohio, and Wisconsin. We also reviewed legislation and state policy documents to better understand the relevant state agencies' structures and roles in providing services. This information provided insight regarding the context within which the local systems are evolving and operating. In conducting the state level research, the Michigan Family Independence Agency, and subsequently the Michigan Jobs Commission, decided not to participate in the project due to time and resource constraints. Although this limited our ability to meet with state and local representatives from these agencies, we were able to use state policy documents and local interviews with the One-Stop career center partners to learn about Michigan's system. Attached as Appendix I is a matrix that summarizes some of the information we gleaned from the state level research, which proved helpful in analyzing findings at both the state and local levels.

Local Level Research

At the local level we conducted ten case studies, eight in large urban areas and two in rural areas in the Midwest. Two site visits were made to each of the communities under study and involved interviews with relevant welfare and workforce development system stakeholders (e.g., county welfare administrators, private industry council/workforce board representatives, JTPA and Welfare-to-Work administrators, employment and training service providers, One-Stop career center partners and staff), and visits to service delivery sites,

[8] See Appendix III for a list of study participants.

including One-Stop centers. Our first site visit provided us with an understanding of the local service delivery structure, the effect of changes on local agencies, and the status of coordination efforts between the local welfare and workforce development systems. The second round of site visits allowed us to confirm our understanding of the local service delivery structures and learn about any changes that had been made since our first visit. Since many communities had not yet received or begun to utilize the federal Welfare-to-Work funds at the time of our first visits, these second round meetings also provided the opportunity to explore the status of planning for and utilizing these funds. In addition, during these visits we sought to learn how the local welfare-to-work system(s) would change (or were changing) as a result of the passage of the Workforce Investment Act of 1998.

Dissemination Activities

On June 8-9, 1999, CSW hosted a two-day convening in Chicago with state and local policy makers, program administrators, managers, and other stakeholders from states and communities included in the project. The primary focus of this convening was to review, discuss and comment on research findings, and to provide an opportunity for stakeholders from case study sites to exchange information and learn from each others' experiences.

Through the research project we hoped to gain a better understanding of the relationship between the welfare and workforce development systems in the Midwest and what choices states and local communities are making with regard to the provision of welfare-to-work related services to welfare clients. Through a qualitative analysis of the implementation of these choices in the local service delivery systems we intended to determine whether or not welfare and workforce development systems were coordinating and/or integrating services at the street level. This report outlines our state and local level findings, provides a snapshot of the local service delivery system in each of the ten communities we visited between November 1997 and May 1999, and highlights some promising activities in local service delivery.[9] It also provides an analysis of the implications of these findings for both practitioners and policy makers in the public welfare and workforce development systems.

[9] See Appendix II for local site descriptions.

Section Two—Project Findings

Over the course of the project, CSW learned a lot about the relationships between the welfare and workforce development systems in the Midwest and what factors contribute to their efforts to meet the employment and training needs of TANF participants and other economically disadvantaged individuals. The major findings from our research are highlighted below. They originate from conversations we had with state and local policymakers and practitioners regarding the evolution of the welfare and workforce development systems in their states and local communities. These findings reflect the state of these systems as we explored them between November 1997 and May 1999.

Major Findings

- **Despite legislative mechanisms to encourage collaboration, separate funding streams still keep state welfare and workforce development systems apart.**

  In six out of the seven states in our study, the state level workforce development and welfare structures are largely the same separate systems that existed before legislative reform. These systems are working with separate funding streams and have different reporting requirements based on the funding source. Wisconsin is the only state that has brought the agencies that administer TANF and the traditional workforce development programs under one umbrella, the Department of Workforce Development. While different divisions are responsible for administering these programs, policy decisions at the state level often involve both divisions because program services are integrated at the local level. Currently, the TANF block grant is the principal source of funding for employment and training assistance to welfare clients. Although a number of states are providing these employment and training services through the workforce development system, they are doing so with TANF funds. In some communities separate funding streams are inhibiting integration of welfare and workforce development services.

- **Convergence of goals has not caused significant linkage of welfare and workforce development systems.**

  The work of welfare agencies has recently shifted. The majority of staff effort was previously spent determining eligibility, while now there is a greater emphasis on helping individuals to secure employment immediately. Similarly, workforce development agencies are currently more focused on returning people to the workforce quickly than on providing long-term education and training followed by employment, as was common in the past. These shifts brought the work and goals of the two agencies more in line. However, despite this convergence of purpose, the welfare and workforce development systems continue to operate primarily independently of one another.

- **Some communities are considering whether and/or how to coordinate the employment and training services of different agencies, while others are not.**

  While some areas have been working on this issue for years and have made notable progress, others are just beginning to bring

the various players in the local system(s) together to discuss it. In fact, our site visits revealed (and the convening confirmed) that our initial assumption that states and local communities are currently grappling with the issue of whether the workforce development and welfare systems should be integrated into one system or remain separate is not universally true. Several of the participating states and communities explained that the need to focus on implementing recent welfare and workforce development policy changes (e.g., PRWORA, Welfare-to-Work, Workforce Investment Act) is hindering their ability to concentrate on evaluating the value of and/or achieving greater collaboration.

- **In most communities improved coordination/collaboration between systems stems from efforts undertaken at the local level, rather than as a result of changes undertaken at or direction provided by the state.**

  Wherever significant strides have been made in coordinating the employment and training services of the traditional workforce development and welfare agencies, it is the result of a lengthy and ongoing process of building trust and understanding among the relevant parties at the local level. Without mutual trust, understanding and a desire to improve service delivery and maximize efficiency among local planners and service delivery staff, any direction or precedent set by the state is irrelevant. Many local stakeholders with whom we met during site visits expressed this sentiment. The consensus around this issue was somewhat surprising to CSW because we thought that the state context had a greater impact on local level collaboration than it seems to.

In addition to these general findings, there are a number of issues at both the state and local levels that impact the coordination of service delivery between the welfare and workforce development systems.

State Level Issues Affecting Coordination

Factors at the state level that affect the degree of collaboration between the welfare and workforce development systems include:

- **Welfare and workforce development agencies have different priorities.**

  The priorities of state level welfare and workforce development agencies are divergent. The welfare agencies are concentrating heavily on transforming their organizations and establishing new systems and processes in order to implement the changes required for TANF. Meanwhile, the workforce development agencies are focused on developing their One-Stop career center systems which inherently encourage collaboration with other programs, although not necessarily TANF-related programs. The priority for each system is to transform itself in response to legislation, rather than coordinate resources across systems.

  During our initial site visits, for example, several communities were in the process of converting their AFDC participants to the TANF program, which was an overwhelming and all-encompassing task. At this point the welfare agencies were unable to devote significant time and resources to thinking about the coordination of services between systems. While two states, Iowa and Michigan, were developing arrangements for welfare-to-work services

to be provided through the state workforce development agency, the TANF agencies in these states were still focused on managing internal agency changes, rather than on building external relationships.

- **Involvement of welfare system in planning for the One-Stop career center delivery system is limited.**

  In order to receive One-Stop implementation grants, the Department of Labor only required states to demonstrate that their One-Stop systems would include agencies with responsibility for DOL programs (e.g. Employment Service, JTPA, Unemployment Insurance, and Veterans' Employment and Training Services). Although DOL encouraged states to involve other workforce development and human service agencies (including welfare agencies) in planning and developing the centers and service delivery system, it did not require them to do so. Therefore, in many states and localities TANF agencies were not involved in the initial One-Stop planning and development efforts, which continues to affect their level of involvement in the One-Stop system. The Workforce Investment Act also failed to include TANF agencies as mandatory One-Stop partners, although some states are choosing to make them a mandatory partner in their state.

- **Welfare and workforce development structures remain separate at the state level.**

  As mentioned previously, different state departments are responsible for administering the welfare and workforce development programs in each of the states included in this project, except one. Therefore, in most instances there are separate information systems, funding streams, and planning and budget processes, which impact the departments' ability to collaborate. Wisconsin is the only state in our study in which the workforce development and welfare systems are fully integrated into a single agency at the state level at this time. However, Ohio intends to merge its Department of Human Services and Bureau of Employment Services to create the Ohio Department of Job and Family Services in July 2000.

- **Some responsibility for employment and training services is shifting from welfare agencies to public workforce development agencies and to private contractors.**

  A number of state TANF agencies have shifted welfare-to-work service provision to other public agencies and to the private non-profit and for-profit sectors. The amount and the type of outsourcing varies, but in a few states workforce development agencies are involved in the management of programs for individuals who currently receive public assistance as well as those applying for aid. A few of the states in our study rely heavily or exclusively on workforce development agencies to provide welfare-to-work services to TANF participants. In Michigan, for example, the Michigan Department of Career Development (formerly Michigan Jobs Commission) is responsible for administering welfare-to-work services to TANF participants through local workforce development agencies and contracted providers. While in Iowa, TANF employment and training assistance is the responsibility of Iowa Workforce Development and services are administered through local One-Stop career centers.

Although in some states workforce development agencies share responsibility with human service agencies for welfare-to-work under the state's TANF program, in a few, the welfare system maintains primary responsibility for service delivery. For example, in Indiana and Ohio the state has not made any institutional linkages between the state workforce development and welfare systems for implementation of the employment and training component of their TANF programs. However, some linkages are being made at the local level. Several local workforce development agencies have won contracts to provide welfare-to-work services to TANF participants.

- **Some states chose not to utilize the federal Welfare-to-Work funds.**

  Federal Welfare-to-Work legislation provides funds for measures to improve placement, retention, and advancement of the hardest-to-employ TANF population. One target group for this assistance is non-custodial parents with significant barriers to achieving self-sufficiency. These resources can be used for pre-employment training and related services delivered by public agencies, local One-Stop centers, or other community-based organizations that are part of the local workforce development system. Although local workforce development agencies administer these funds, the additional funding provides an opportunity for the welfare and workforce development systems to work together to meet the needs of hard-to-serve participants. Although most states in our study are currently utilizing the funds and have encouraged coordination between the TANF and workforce development systems, especially in identifying eligible participants, some are not doing so.

  Two states, Michigan and Ohio, chose not to accept the federal Welfare-to-Work funds because of the availability of surplus TANF funds and the constraints imposed by federal rules and regulations. Ohio designated TANF Employment and Training funds to provide services to "long term" Ohio Works First participants, but these funds are still administered through the county Department of Human Services offices. While local workforce development systems receive a portion of these funds from the county to provide additional employment and training assistance to long-term participants, the welfare and workforce development agencies can use their funds without collaborating. Michigan also identified state "welfare-to-work" funds which take the place of federal W-t-W funds and are administered by the local workforce development system.

Local Level Issues Affecting Coordination

Issues at the local level affecting the degree of collaboration between the welfare and workforce development systems include:

- **The role of One-Stop career centers in service provision varies widely**.

  The role that One-Stops play in the provision of employment and training services to TANF participants varies widely across the communities included in the project. Although some employment-related services are available to everyone through One-Stop centers, regardless of specific program eligibility, in some areas the One-Stops play an integral role in the provision of welfare-to-work services to TANF participants, while in others they do not. In Milwaukee and Southwest Wisconsin, for

example, all W-2 (TANF) services are provided through Job Centers (One-Stops). In Minneapolis, the Minnesota Department of Economic Security is only one of numerous contracted employment service providers, and it provides services to some MFIP (TANF) participants through the city's two Workforce Centers (One-Stops). However, One-Stops do not play any role in service provision to TANF participants in Steuben County Indiana because a One-Stop system has not yet been developed in the area.

- **Local areas are not grappling with the question of whether the welfare and workforce development systems should be better coordinated and/or integrated.**

  At the outset of the project, CSW assumed that local communities are grappling with the question of whether the systems should be integrated or remain separate to best serve the needs of TANF participants. The site visits illuminated, however, that in many communities most of the individuals involved in the workforce development and welfare systems (at all levels) are too busy to concentrate on coordination issues because they are responding to the new work first philosophy and implementing the many changes that it requires. Although there has been a long history of complaints about the lack of coordination, improving coordination is not currently a priority. Particularly because this is a period of substantial change, each agency believes that it must address its own problems before it can turn its attention to relationships with other agencies. Instead of viewing developing linkages with other systems as potentially part of the solution, they view it as an additional burden. Thus, local welfare agencies in every state are concentrating on meeting federal and state requirements for welfare reform independently and seem to have little time or energy to invest in achieving or improving multi agency coordination.

- **Local welfare and workforce development systems undertake limited collaborative planning efforts.**

  Although most local stakeholders recognize the need to think about how the systems should work together and to plan strategically, many do not have the time currently to do so. Given the constraints on the ability of local stakeholders to plan system changes, the efforts to do so, and the extent to which they are making progress varies widely across the project sites. Individual agencies are engaged in strategic planning with regard to service delivery, but limited coordinated planning is occurring at the local level. Also, very few mechanisms exist which encourage coordination of service delivery planning efforts between welfare and workforce development agencies and other relevant providers.

  The Workforce Investment Act requires the creation of local Workforce Investment Boards (WIBs) to undertake strategic workforce planning. A primary responsibility of WIBs is to ensure maximum efficiency in the delivery of employment and training services through One-Stop systems. Currently, most of the project communities are in the process of creating WIBs, primarily through the transformation of Private Industry Councils (PICs). PICs have traditionally had a more limited role than that envisioned for WIBs, concentrating more on program oversight than comprehensive workforce planning. Although collaborative planning has been

limited to date, the creation of WIBs may increase these efforts.

For example, Des Moines has initiated an effort to establish a more effective and more comprehensive workforce development planning mechanism. A number of stakeholders in Des Moines have entered into an agreement to create a local Coordinating Service Provider (CSP), an entity to jointly determine service priorities, ensure non-duplication, and develop performance measures. However, the local welfare agency has not been involved in these planning efforts, which seems to be hindering the ability to coordinate service delivery. At the beginning of this project, two separate planning strategies were being pursued in Indianapolis; one by the Indianapolis Private Industry Council (IPIC) and one by the Family and Social Services Administration (FSSA), which administers TANF and the associated employment and training program. However, at the conclusion of the project, this was beginning to change. The two agencies were beginning to undertake some joint planning efforts.

- **Many welfare and workforce development stakeholders lack a comprehensive understanding of the local employment and training system**.

  Many individuals involved in the planning for and provision of employment and training services do not have a complete understanding of all of the programs, processes and players that comprise the local system. Because many people are only somewhat familiar with the services offered by other agencies and the processes for accessing them, they are ill equipped to determine how to best meet individuals' needs. In order to improve overall system effectiveness and reduce or eliminate duplication, people involved in service delivery and planning must have a good understanding of the entire local employment and training system.

- **Welfare and workforce development systems are collaborating, coordinating, and integrating services in various ways.**

  Through our site visits, we saw a range of efforts to link welfare and workforce development systems locally. One level of coordination includes substantial information-sharing mechanisms, such as sign-off provisions, cross-membership on boards and councils so that board members for one program also sit on the boards of others, and information sharing about specific clients. Another level of coordination involves referrals between agencies, subcontracting with other agencies for provision of some services, and creating feeder systems and articulation agreements to provide smooth transitions between programs. A third and more substantial level of coordination involves integrated service delivery, which occurs less frequently. Milwaukee is the one local area which at the time of our visits had achieved integrated service delivery through their Job Centers (One-Stops). Cincinnati and other communities were still working toward location of welfare and workforce development staff at local One-Stop centers.

- **Communication and information sharing between workforce development and welfare agencies/programs is important, but often difficult.**

  Workforce development and welfare agencies have developed a variety of means for sharing information and communicating in order to meet the employment and training needs of TANF participants. However, achieving regular and effective communication between the various parties working with an individual is often quite challenging. This challenge has been overcome in Detroit, however. All Work First contractors in Detroit have electronic access to the Family Independence Agency's (TANF agency) information system. This provides them with information on services received previously and eliminates the need to collect basic personal and family information that has previously been captured. Efforts are also underway in Minneapolis to improve information sharing between agencies. To facilitate information sharing between individuals working with the same TANF participants in Minneapolis, Hennepin County has begun to colocate economic assistance and child care workers at several employment service provider locations on a pilot basis. The county has also undertaken an effort to align a particular economic assistance unit with each contracted employment service provider to facilitate coordination and information sharing. Similar information sharing arrangements have not been made elsewhere due to confidentiality concerns.

Currently there are significant changes being made in welfare and workforce development systems, including shifting responsibility for service delivery between local public agencies and to private providers. Through the Workforce Investment Act these changes in the workforce development system are intended to streamline services, empower individuals, provide universal access, increase accountability, expand state and local flexibility, and increase the involvement of business and labor. The ultimate goal is to meet customer needs and coordinate services across various agencies, programs and funding streams. Although this is the vision guiding workforce development reform, federal policy does not include the welfare system as a mandatory partner in this effort to coordinate and streamline services. In addition, collaborating with the public workforce development system and private sector to meet the needs of welfare participants is not a specific goal of welfare reform. When collaboration does occur, it is an outgrowth of a strong history of collaboration among local workforce development and welfare programs, not necessarily the product of a shared vision between the two systems. This has resulted in the creation of new widely varying delivery systems that reflect state and local political and organizational cultures.

Local Level Strategies Contributing to Coordination

Based on the structure and practices of the welfare and workforce development systems profiled here, many communities recognize the need to improve service delivery coordination in order to meet the needs of welfare recipients and other economically disadvantaged individuals. Efforts are already being made to better coordinate employment and training services between the welfare and workforce development systems in many of the communities we visited. Some of these efforts are described below.

- **Coordinating System Governance and Planning**

  The project communities have different structures for the governance and planning of employment and training programs and services. Some local areas have been working on joint governance and planning processes for years, while others are just beginning to bring the various players in the local system(s) together to discuss this level of system coordination.

  - The City of Minneapolis and Hennepin County have come together to jointly administer the Minnesota Family Investment Program (MFIP), the state TANF program. An agreement was developed to specifically delineate the roles and responsibilities of each. The Hennepin County Department of Human Services is responsible for developing and implementing the vendor RFP process, and contracting with and making payments to selected vendors. The city's Minneapolis Employment and Training Program is responsible for the day to day operations of the program throughout the county and must approve all vendor payments made by the county. This agreement also covers administration of the federal Welfare-to-Work program and an additional county funded employment support program. Thus far, this arrangement has proven very effective and has encouraged greater coordination of the various employment and training programs and funding streams.

  - There have been several changes in the governance and planning of employment and training programs in Des Moines recently. In 1996, legislation was passed in Iowa creating the Coordinating Service Provider (CSP) structure in order to promote quality and coordination in the delivery of employment and training services at the local level. Several agencies in Des Moines have entered into an agreement to create a local CSP to collaboratively determine service priorities and to ensure non-duplication of services. All state and federal employment and training funds flow through the CSP. The same legislation also created Regional Advisory Boards (RABs) to address local workforce development priorities through planning and oversight. However, the new CSP and RAB did not replace the existing Private Industry Council as the body responsible for planning for and overseeing JTPA and Welfare-to-Work funds. It is too soon to tell whether this new planning arrangement will prove effective.

  - Several bodies are involved in planning local employment and training services in Steuben County, Indiana. The Local Planning Council (LPC) was created in 1997 by the General Assembly to develop an action plan for helping TANF participants adjust to changes in welfare rules and become more self-sufficient. The LPC, comprised primarily of local social service agencies and a few private sector representatives, usually meets semi-monthly and is finalizing its action plan for assisting the county's residents in moving from dependency on public assistance to self-sufficiency. The Northeast Indiana Workforce Investment Board, which represents nine Northeast Indiana counties, is responsible for the governance and oversight of employment and training services in the county. While both planning bodies focus on employment and training issues in the area, there is a lack of coordination between these two groups.

- **Establishing a "Systems-Approach" to Designing and Delivering Services**

  Many of the collaborative relationships between agencies at the local level are new, although some communities have been developing connections between welfare and employment programs for some time. Some local areas have taken an active role in reforming their welfare and workforce development systems either because of economic decline, because of their own concern about chaos and duplication of their workforce programs, or in anticipation of federal legislation. Communities have employed various means to achieve their system transformation goals. Some localities have made extensive use of a "systems-approach" to delivering services, either by decentralizing service delivery through a network of neighborhood providers, or by bringing a number of local programs together to deliver services through One-Stop centers.

  Decentralizing Service Delivery – The communities included in this project have developed welfare-to-work systems that exhibit varying degrees of centralization; some systems are highly centralized while others are very decentralized. These approaches emphasize the importance of connecting the customer to all of the service providers in the community and making resources more accessible through service delivery networks.

  - The City of Minneapolis and Hennepin County have jointly developed a fairly decentralized, neighborhood-based system for provision of employment and training services to TANF participants. TANF employment services are provided by a network of 17 contracted service providers at 25 sites across the city. Many of the TANF contractors also have contracts to provide Welfare-to-Work and JTPA services. TANF participants, all of which are assigned to an employment service contractor, have the ability to designate their choice of provider, which is granted whenever possible.

  - A more decentralized, neighborhood-based approach is also being pursued in Indianapolis by both the Marion County office of the Division of Family and Children (DFC) and the Indianapolis Private Industry Council (IPIC). The Marion County DFC recently closed its one central office and has opened five offices across the county to make them more convenient to their customers. IPIC, through their "Neighborhood Network" initiative, is also developing a decentralized neighborhood service delivery system to take advantage of the strengths and expertise of community based organizations. While these efforts were undertaken independently and there is little coordination between the approaches, the agencies recognize the disconnect and are taking steps to better coordinate planning efforts and service delivery.

  - Cuyahoga County Work and Training (CW&T), which administers the employment and training component of Ohio Works First (OWF) in Cleveland, is currently in the process of reorganizing its staff into 11 Family Service Centers. These Centers are designed to provide access to a variety to OWF services in one convenient location.

Utilizing One-Stop Career Centers – In several of the communities studied, One-Stop career centers play a vital role in the provision of welfare-to-work services to TANF participants, while in others the centers are not very well connected to the welfare service delivery system. In areas where the One-Stop career centers are utilized, these connections often strengthen the communication and information sharing between the welfare and workforce development systems.

- In Des Moines, all employment-related services for the Family Investment Program (FIP), Iowa's TANF program, are provided through the Polk County Workforce Development Center, the sole One-Stop center in Des Moines. In addition to job readiness and job search assistance, FIP participants can access basic education services provided by the local community college and services provided by Goodwill Industries through the Center.

- Milwaukee Job Centers (One-Stops) play an integral role in the provision of welfare-to-work services to TANF participants. In Milwaukee, individuals apply for W-2 (TANF) assistance and receive employment-related support services from one of five W-2 agencies based on where they reside. Each of these agencies operates and provides services at a Job Center.

- Staff members from the Hamilton County Department of Human Services who work on-site at the Career Resource Center, Cincinnati's One-Stop Center, have been designated Business Services Representatives. These staff members work cooperatively with the 45 education, employment and training partners of the CareerResource NetWork and Center and work with businesses seeking a way to simplify the recruitment process. These representatives also serve as references for other services of interest to employers, including training and local labor market information.

- **Strengthening Accountability and Performance Outcomes**

A number of TANF agencies have increased their reliance on public employment and training agencies and community-based organizations to deliver services through contractual arrangements. Accountability appears to be one of the greatest challenges in these contractual relationships. While the workforce development system has been utilizing performance based contracting for some time, many TANF agencies are also moving from cost reimbursement to performance based contracts to encourage greater accountability and improved outcomes. Some agencies have also shifted emphasis from job placement to retention and career advancement outcomes by establishing higher payment points for higher placement wages.

- The Indiana Family and Social Services Administration (FSSA) recently restructured its contracts with service providers in Marion County. These contracts are between the Indiana FSSA and the Indianapolis providers, but they are negotiated and managed at the local level by the Marion County Division of Family and Children office. The new contracts are designed to encourage the for-profit and not-for-profit contractors to focus more time and resources on providing post-placement job retention support. The new contracts place greater emphasis on ensuring job retention and advancement, rather than simply placement.

- Under a special projects or "hard-to-serve" contract with Cuyahoga Work & Training (CW&T), the service providers in Cleveland receive a monthly case fee, intended to provide working capital to the providers to adequately deliver needed services. Providers also receive a series of performance based incentive payments designed to reward job placement and retention. These payments are made when the participant has retained employment for at least 30, 90 and 180 days. CW&T has established a minimum

job retention rate of 180 days for 20% of the total participant population served.

Beyond accountability, a few local agencies are also concerned about establishing and maintaining relationships with contractors that support the capacity building of all organizations involved in the local service provider network. As stated previously, this helps create an environment that encourages cooperative relationship building among contractors, rather than one that fosters competition.

- The Mayors Office of Workforce Development (MOWD), the administrative entity for JTPA and W-t-W funds in Chicago, is working with the Illinois Department of Human Services to better coordinate the TANF participant referral process and to ensure individuals receive quality welfare-to-work services through both the IDHS and MOWD contracted service provider networks. MOWD is also working to recruit Welfare-to-Work eligible participants for these services and is helping to build contractors' organizational capacity (through workshops) to better meet the needs of hard-to-serve participants, and to operate more efficiently and effectively in a performance based contracting environment.

- The City of Cincinnati Employment and Training Department is receiving TANF Employment and Training (E&T) funds from Hamilton County Department of Human Services (DHS) to help administer contracts for welfare-to-work support services. The DHS program planners and provider support team monitor contracted service providers and facilitate training sessions on agency policy and procedures. These two agencies are working together to monitor contractor performance and to provide contractor staff development opportunities to improve organizational outcomes. Although the city's employment and training department is technically a contractor to the county DHS, they are involved in a joint planning process for establishing this partnership.

- **Developing Employer Relations and Demand Side Strategies**

A number of public agencies and community-based organizations are trying to develop relationships with employers to facilitate the hiring of TANF participants.[10] They utilize these relationships to learn about job openings, prepare and match candidates for jobs, and refer TANF participants for placement. In the welfare arena, attempts to engage the business community have been generally small in scale. Some programs have reached out to the business community through local job development efforts, but these partnerships have mostly been developed by individual program staff, who form personal relationships with employers in order to refer clients. While these efforts can provide clues to what works, more comprehensive and better coordinated systems might be needed to achieve the goals of welfare reform. Employers want a single point of contact to help meet their employment and training needs. The welfare and workforce development systems should work together to build an integrated support system for employers. Multi-agency employer representative teams could help build strong employer relationships and better utilize the resources and expertise of each system.

- Detroit's Work Place, one of the city's One-Stop centers, is focused on building relationships with employers and developing jobs for both JTPA and Work First participants. These efforts have helped foster a connection between the One-Stop career center, local contractors and Family Independence Agency (FIA) staff members who need access to these employers and the available jobs for their clients. A number of large

[10] For more on employer relationships, see Holcomb et al., 1998; Mills and Kazis, 1999; Roberts and Padden, 1998; and Brown, Buck, and Skinner, 1997.

employers also offer orientations at Detroit's Work Place and contractors are able to send clients to these sessions to learn more about employment opportunities.

- Working with a network of Department of Human Services (DHS) offices, contractors and partnering agencies throughout the Chicago area, the Employer Clearinghouse matches qualified, pre-screened applicants with jobs. The DHS prepares TANF participants for employment and helps them retain their jobs by offering pre-employment screening, up to $400 for initial employment costs such as transportation and uniforms, and ninety-day retention services to resolve any problems. Each time an employer hires through the Clearinghouse it can receive a federal tax credit under the Work Opportunity Tax Credit (WOTC). However, these efforts to target employers are somewhat duplicative of the One-Stop system efforts to focus on employer needs.

- **Increasing Job Retention and Promoting Job Advancement**

Most of the communities in our study recognize that as they move welfare recipients into employment, getting a job is only part of the challenge. Many recipients leave welfare for work, but a number of individuals end up losing their jobs and returning to public assistance. While most programs focus on providing job preparation and job search training and assistance, not all address post-placement training and support service needs. Although welfare and workforce development systems recognize the need to provide these services to employees, public agencies and private-sector organizations are just beginning to develop strategies for delivering these services. How these systems work together to provide post-employment services is very important, especially if each system offers a unique set of resources to help individuals retain their jobs and pursue additional employment and training options that will lead to self-sufficiency. Building partnerships between these systems and employers will be one necessary strategy for bringing the right mix of services to individuals after they move from welfare to work.[11]

- Although the W-2 (TANF) caseloads are small in Southwest Wisconsin, there is a large working poor population in the area. Grant County alone has approximately 7,000 working poor individuals. Therefore, rather than focus its efforts solely on the needs of current TANF participants, Grant County is in the process of expanding its target population to include all working poor families. This expanded approach is referred to as "W-3." Employers are considered the key avenue through which to assist these families. Under the W-3 vision, employers will act as the liaison between individuals who could benefit from employment support and advancement services and the service provider staff. Employers will help inform individuals of services available and how to access them and would notify employer relations staff of individuals that could benefit from training and support services. Whenever possible, training and support services will be provided at the workplace.

- **Coordinating and Utilizing Available Funds**

In many communities, the availability of federal Welfare-to-Work funds is motivating welfare and workforce development agencies to work together to meet the needs of hard-to-serve participants.[12] These funds are administered by local private industry councils or workforce investment boards, but both workforce development and

[11] For more information on building partnerships to promote job retention and advancement, see Brown, 1997; and Roberts and Padden, 1998.

[12] For more on Welfare-to-Work strategies, see Nightingale and Brennan, 1998.

welfare agencies must be involved in planning for and utilizing them in order to secure and maximize their benefit. Most states in our study are utilizing these funds to provide pre-employment training and related services delivered by public agencies, local One-Stop centers, and community-based organizations that are part of the local workforce development and/or welfare systems.

- Welfare-to-Work funds are being utilized in Milwaukee to provide services above and beyond those provided by Wisconsin's W-2 program to ensure that those who have left W-2 are employed and stay employed. Each of the Job Centers in Milwaukee receives these funds to target individuals who are not the focus of W-2, such as non-custodial parents and those receiving TANF funded child care only (the "working poor").

- Michigan decided to use surplus state TANF funds rather than accept the Welfare-to-Work formula grant funds from the US DOL. Michigan's Work First "welfare-to-work" program is operating under guidelines put forth by the state that are similar to federal guidelines, and Detroit is utilizing these funds to provide public service employment opportunities to non-custodial parents and other eligible TANF participants. Through a competitive process, a primary contractor was selected to coordinate services utilizing the state's welfare-to-work funds and the city's competitive Welfare-to-Work grant funds through subcontracts with a number of community-based organizations. These welfare-to-work subcontractors are actively soliciting participation from TANF clients and are attending Work First orientations to recruit participants directly into this program.

Section Three—Implications of Project Findings

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), the Workforce Investment Act and Welfare-to-Work legislation provide states and localities more flexibility than in the past to design and operate welfare and workforce development programs. An underlying assumption of these legislative changes is that this expanded flexibility will encourage more coordination of resources across programs and more partnerships between public agencies and the private for-profit and non-profit sectors.

Although our findings suggest that the welfare and workforce development systems traditionally have different missions, goals, targeting strategies, and accountability standards, and use different kinds of information systems, forming successful interagency linkages seems particularly important in a Work First environment. However, without substantial evidence that forming partnerships and developing collaborative service delivery systems really work, public agencies and other relevant organizations will continue to emphasize the barriers to collaboration rather than focus on successful strategies. While some welfare reform and workforce development studies, including this one, explore the different models of collaboration used by states and localities to support the development of more effective services and delivery structures, none have yet evaluated the benefits of collaboration to both the welfare and workforce development systems.

Potential Benefits of Improving Collaborative Linkages

Despite the absence of quantitative evidence, the findings of this project and those of an evaluation of workforce development system collaboration efforts conducted by Social Policy Research (SPR) Associates, indicate that stakeholders believe that collaboration between the welfare and workforce development systems could potentially improve program efficiency and/or outcomes.[13] In addition, these studies indicate that meaningful relationships between these systems can be created, for the system stakeholders seem receptive to improving coordination of service delivery. Potential benefits of collaboration in several areas are described below.

- *Coordinated System Planning Efforts* – Joint planning around welfare-to-work initiatives is a necessary first step toward realizing the benefits of coordinating the complementary functions of welfare and workforce development agencies. Coordinated planning could result in the following:
  - Greater customer (job seeker and employer) participation in comprehensive system planning to meet customer needs.
  - Increased capacity to plan and deliver comprehensive services and to sequence and combine complementary services.
  - Greater support for cross-agency training and capacity building.

[13] Kogan et al., October 1997.

- *Coordinated Service Delivery Efforts* – Coordinated delivery of services could generate the following benefits:
  - Increased program efficiency and reduced duplication of services.
  - Increased access to staff with expertise in career planning, job development, and employer services.
  - Improved capacity to provide comprehensive services.
  - Improved ability to combine and sequence appropriate services.

- *Improved Customer Outcomes* – Coordination of the welfare and workforce development systems could result in the following benefits to customers:
  - Stronger commitment to life-long learning and skills enhancement over time.
  - Improved employment outcomes including higher wages, improved employment security and job retention, and greater opportunities for career advancement over time.
  - Improved employer customer outcomes including, improved retention of workers, increased employer commitment to skills enhancement of current workforce, and improved employer satisfaction.

Challenges to Collaboration

Although interprogram and interagency collaboration, especially at the local level, seems critical to helping TANF participants achieve self-sufficiency, local practitioners face significant challenges to achieving the collaboration that will minimize duplication of effort and maximize services to those in need. Following are some of the challenges that must be overcome in order to build collaborative linkages between the welfare and workforce development systems:[14]

- *Changing Organizational Missions* – Changing organizational visions and differences in agency missions make it difficult to establish cross-agency priorities, especially within a resource scarce environment.

- *Organizational Staffing Issues* – Concerns about staffing issues including redesigned job descriptions and job security inhibit front line staff in both systems from planning for more coordinated service delivery.
- *Lack of Coordinated Service Delivery* – Service delivery roles and responsibilities do not build on the expertise and skills of staff currently employed by each system and foster the unnecessary duplication of effort.

- *Separate Employer Services* – There is limited support for coordinating employer services and marketing activities to enable the two systems to work together to help employers meet their employment and training needs.

[14] Brown, 1997; Brown, Buck, and Skinner, 1997; and Kogan et al., October 1997.

- *Limited Communication and Information Exchange* – Staff from different agencies are unable to exchange relevant information and to communicate regularly and easily about client needs and services.

- *Disconnected Funds* – Distinct funding streams continue to limit resource allocation for employment and training activities across programs and agencies.

- *Lack of Shared Outcome Measures* – There currently are no overarching measures for achieving outcomes through coordinated service delivery.

Although these challenges make collaboration more difficult, they need not inhibit the creation of efficient, coordinated delivery systems that meet the needs of welfare recipients. Commitment from top state and community leaders is essential to the success of system reform and integration. Given the challenges of coordination, creating a more effective welfare-to-work system requires more than just deploying a new set of strategies and implementation tools. It requires developing new relationships with a range of service providers, employers, and other stakeholders from the public and private sector.

Section Four—Next Steps

The findings of this project suggest that the needs of TANF participants could be met more comprehensively and efficiently if the welfare and workforce development systems achieved better integration of their programs and services. However, it remains to be seen whether there is sufficient will to achieve integration. Although efforts to do so are under way in some areas, much more work is necessary to achieve the potential benefits outlined previously.

Suggestions for Achieving Integration

Efforts to achieve integration of the welfare and workforce development systems could be furthered through the following:[15]

- Increasing the flexibility of federal and state program regulations so that a number of different funding streams can be combined to support the delivery of a broad range of services that promote self-sufficiency.
- Developing common reporting and performance measures for welfare-to-work programs to encourage joint planning and coordinated service delivery to maximize outcomes and shared accountability.
- Developing strong state and local workforce investment boards to provide leadership in developing a comprehensive workforce development system.
- Encouraging more interagency and collaborative linkages between welfare-to-work and One-Stop career center initiatives to meet the education, training and other career development needs of TANF participants and other economically disadvantaged individuals.
- Identifying collaborative strategies that have been proven effective in different settings.
- Increasing welfare and workforce development agency staff members' understanding of the local workforce development system to better equip them to meet individuals' needs and to reduce duplication.
- Designating "liaisons" or "ambassadors" between the welfare and workforce development systems in an effort to explain these systems to each other and promote communication between them.
- Developing unified local employer relations teams comprised of welfare and workforce development agency staff to develop partnerships with employers to help fill available positions and to address employee needs to ensure job retention.

Many of our project participants agree that in order to be responsive to customer needs and changing economic situations, the various welfare-to-work programs of the welfare and workforce development systems need to be reorganized. While efforts to better coordinate employment and training services of the two systems in the Midwest are underway, information on the strategies being employed and quantitative evidence on their effectiveness is limited. Although this study describes current system reform strategies being undertaken at the state and local levels in the Midwest, further research could help states and localities learn

[15] Glazer, 1998; Good, 1999; Katz and Carnevale, 1998; Kogan et al., August 1997; and Van Lare, 1999.

more about which systemic reform strategies are most effective.

This study illustrates for policymakers the need to examine in greater detail the impact of collaborative efforts and to determine which collaborative strategies have the greatest potential for positively impacting outcomes. This project has also revealed that many stakeholders in the welfare and workforce development systems in the Midwest are receptive to improving coordination between the two systems in order to improve the efficiency and effectiveness of welfare-to-work programs. However, without substantial evidence that partnerships really do work and that relationships between public agencies and with other relevant organizations are beneficial, individuals and organizations will continue to emphasize the barriers to collaboration rather than focus on successful strategies.

References

Bloom, Dan. *After AFDC: Welfare-to-Work Choices and Challenges for States*. New York: Manpower Demonstration Research Corporation, 1997.

Brown, Amy. *Work First: How to Implement an Employment-Focused Approach to Welfare Reform.* New York: Manpower Demonstration Research Corporation, 1997.

Brown, Amy, Maria L. Buck, and Erik Skinner. *Business Partnerships: How to Involve Employers in Welfare Reform.* New York: Manpower Demonstration Research Corporation, 1997.

Glazer, Louis. *Connecting the Urban Poor to Work: A Framework and Strategy for Action.* Ann Arbor: Michigan Future, Inc., 1998.

Good, Larry. "Never Leaving the Workforce: Creating a New Employment Model." In *Rethinking Income Support for the Working Poor: Perspectives on Unemployment Insurance, Welfare, and Work,* ed. Evelyn Ganzglass and Karen Glass. Washington, D.C.: National Governors' Association, 1999.

Grubb, W. Norton, et al. *Toward Order from Chaos: State Efforts to Reform Workforce Development Systems.* Berkeley, CA: National Center for Research in Vocational Education, 1999.

Holcomb, Pamela A., LaDonna Pavetti, Caroline Ratcliffe, and Susan Riendinger. "Building an Employment Focused Welfare System: Work First and Other Work-Oriented Strategies in Five States." Executive Summary Report, Washington, D.C.: The Urban Institute, 1998.

Katz, Bruce and Kate Carnevale. "The State of Welfare Caseloads in America's Cities." Center on Urban and Metropolitan Policy Survey Series, The Brookings Institution, May 1998.

Kogan, Deborah, et al. "Creating Workforce Development Systems that Work: An Evaluation of the Initial One-Stop Implementation Experience." Final Report, Social Policy Research Associates, Washington, D.C.: U.S. Department of Labor, Employment and Training Administration, August 1997.

Kogan, Deborah, Kristen Wolff, Hugh Davies, Carole McCarthy, and Cheryl Martin. "Framework for Collaboration: Partnering to Improve Welfare-to-Work Outcomes." Draft Report, Social Policy Research Associates and Technical Assistance & Training Corporation, October 1997.

Meyers, Marcia K. "Gaining Cooperation at the Front Lines of Service Delivery: Issues for the Implementation of Welfare Reform." Rockefeller Reports, The Nelson A. Rockefeller Institute of Government, State University of New York. <http://www.rockinst.org/reports> (June 12, 1998).

Mills, Jack, and Richard Kazis. *Business Participation in Welfare-to-Work: Lessons from the United States.* Report prepared for the Business Forum on Welfare-to-Work: Lessons from America, 20-21 January 1999, London. Boston: Jobs for the Future, 1999.

Nathan, Richard P. and Thomas L. Gais. "Implementation of the Personal Responsibility Act of 1996." Overview Report, Federalism Research Group, The Nelson Rockefeller Institute of Government, State University of New York, October 1998.

National Governors' Association. "An Update on State Workforce Development Reforms." NGA Online. <http//www.nga.org/Pubs/IssueBriefs> (April 28, 1998).

Nightingale, Debra Smith, and Kathleen Brennan. "The Welfare-to-Work Grants Program: A New Link in the Welfare Reform Chain." Number A-26 in series, *New Federalism: Issues and Options for States*. Washington, D.C.: The Urban Institute Press, 1998.

Perez-Johnson, Irma, and Alan M. Hershey. "Early Implementation of the Welfare-to-Work Grants Program." Report to Congress, Mathematica Policy Research, Inc., March 1999.

Roberts, Brandon, and Jeffrey D. Padden. *Welfare to Wages: Strategies to Assist the Private Sector to Employ Welfare Recipients*. Flint: CS Mott Foundation, 1998.

U.S. Department of Labor. *U.S. DOL's "Plain English" version of the Workforce Investment Act of 1998*. Washington, D.C.: U.S. Department of Labor, Employment and Training Administration, September 1998.

Van Lare, Barry. "Issues and Options for States in Creating a Work-Centered Safety Net for Working Poor Families: Overview." In *Rethinking Income Support for the Working Poor: Perspectives on Unemployment Insurance, Welfare, and Work*, ed. Evelyn Ganzglass and Karen Glass. Washington, D.C.: National Governors' Association, 1999.

Appendix I—State Matrix

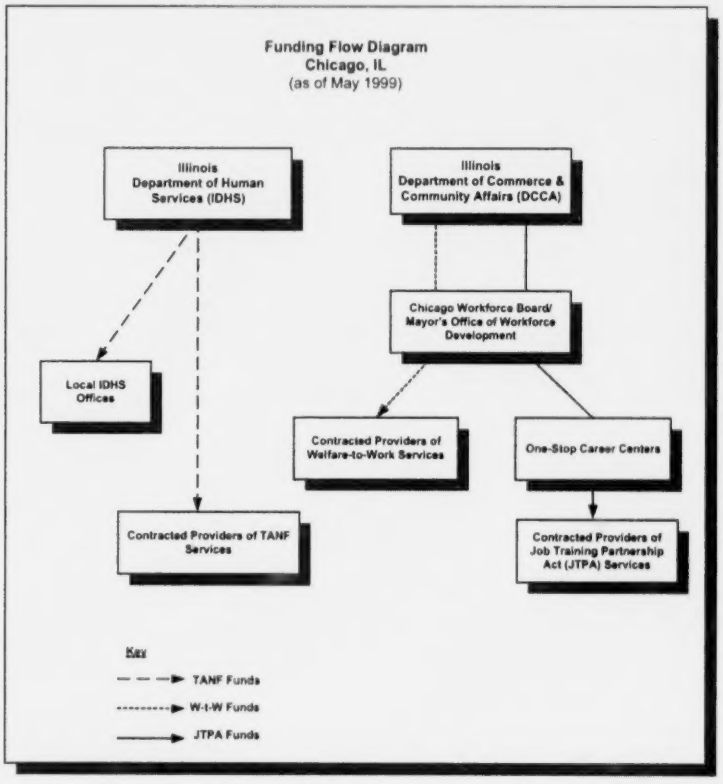
State	Agency with Primary Responsibility for Administering TANF	Agency with Primary Responsibility for TANF Cash Assistance Function	Agency with Primary Responsibility for TANF Employment & Training Function	Agency Responsible for Administering JTPA	Agency Responsible for Administering W-t-W (Formula Grants)
Illinois	Department of Human Services (DHS)	Department of Human Services (DHS)	Department of Human Services (DHS)	Department of Commerce and Community Affairs (DCCA)	Department of Commerce and Community Affairs (DCCA) and Department of Human Services (DHS)
Indiana	Family and Social Services Administration (FSSA)	Family and Social Services Administration (FSSA)	Family and Social Services Administration (FSSA)	Department of Workforce Development (DWD)	Department of Workforce Development (DWD)
Iowa	Department of Human Services (DHS)	Department of Human Services (DHS)	Department of Workforce Development (DWD)	Department of Workforce Development (DWD)	Department of Workforce Development (DWD)
Michigan	Family Independence Agency (FIA)	Family Independence Agency (FIA)	Michigan Jobs Commission (MJC)	Michigan Jobs Commission (MJC)	N/A – Michigan declined DOL W-t-W funds
Minnesota	Department of Human Services (DHS)	Department of Human Services (DHS)	Department of Economic Security (DES)	Department of Economic Security (DES)	Department of Economic Security (DES)
Ohio	Department of Human Services (DHS)	Department of Human Services (DHS)	Department of Human Services (DHS)	Bureau of Employment Services (BES)	N/A – Ohio did not apply for DOL W-t-W funds
Wisconsin	Department of Workforce Development (DWD)	DWD Division of Economic Support (DES)	DWD Division of Workforce Excellence (DWE)	DWD Division of Workforce Excellence (DWE)	DWD Division of Workforce Excellence (DWE)

TANF Administration	TANF Effective Date[16]	Received One-Stop Implementation Grant	Welfare-to-Work Plan Approved by USDOL[17]	WIA Early Implementers
State administered	7/1/97	1995	1/29/98	No
State administered	10/1/96	1995	6/23/98	Yes
State administered	1/1/97	1994	7/9/98	No
State supervised, locally administered	10/1/96	1996	N/A – Michigan declined DOL W-t-W funds	No
State supervised, locally administered	7/1/97	1995	3/2/98	No
State supervised, locally administered	10/1/96	1995	N/A – Ohio did not apply for DOL W-t-W funds	Yes
State supervised, locally administered	9/30/96	1994	6/15/98	

[16] Source: "Round Two Summary of Selected Elements of State Programs for Temporary Assistance for Needy Families," National Governors' Association Center for Best Practices, December 3, 1998.
[17] Source: "Summary of State Plans for Welfare-to-Work Formula Grant Funds," National Governors' Association Center for Best Practices, September 9, 1998.

Appendix II—Local Site Descriptions

Chicago, IL


Funding Flow Diagram
Chicago, IL
(as of May 1999)
Illinois Department of Human Services (IDHS)
Illinois Department of Commerce & Community Affairs (DCCA)
Chicago Workforce Board/ Mayor's Office of Workforce Development
Local IDHS Offices
Contracted Providers of Welfare-to-Work Services
One-Stop Career Centers
Contracted Providers of TANF Services
Contracted Providers of Job Training Partnership Act (JTPA) Services
Key
TANF Funds
W-t-W Funds
JTPA Funds

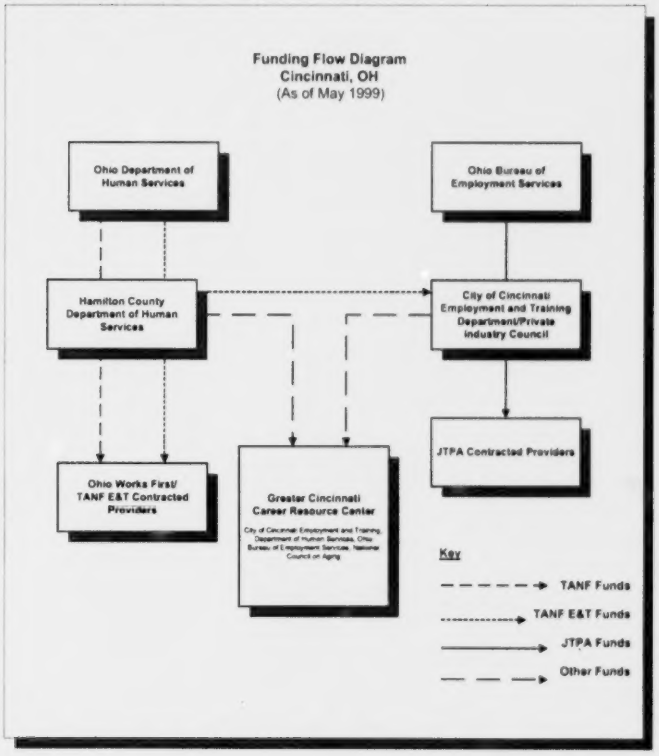
In Chicago, the welfare-to-work services component of the TANF program is primarily administered by the Illinois Department of Human Services (IDHS). However, a structure has been in place for several years at the state level to facilitate ongoing planning and coordination between IDHS and the Illinois Department of Commerce and Community Affairs (DCCA), the lead state agency for the One-Stop Career Center system and economic development efforts. Workgroups have been meeting to address issues such as client flow, contract management and program monitoring, which is a joint responsibility of the two agencies. Fifty percent of the one-stops across the state had IDHS staff colocated prior to TANF. These early efforts at colocation and coordination appear to have further facilitated joint planning with regard to the TANF welfare-to-work service delivery system. In Chicago, however, IDHS staff is not yet located at the five One-Stop Career Centers. Although there is no IDHS staff located on-site, there is a designated liaison from IDHS to communicate between the two agencies.

Individuals apply for TANF at local IDHS offices. Once enrolled, they are assigned an IDHS Case Coordinator who conducts an assessment and helps the individual develop a Responsibility and Services Plan (RASP) and then the majority of participants are referred to a contracted provider for employment and training services including job readiness, job placement, case management and retention services. When a TANF participant is referred to a One-Stop, or another contracted service provider, a liaison receives a copy of the RASP and facilitates contact and referral to the designated employment and training service providers. The liaison also manages communication between the contracted service provider and IDHS. Although contractors provide case management services, the local IDHS Case Coordinator has ultimate authority over tracking, monitoring and reconciliation of cases.

Several of the contracted TANF service providers are also W-t-W service providers. Each of the operators of Chicago's five One-Stop Career Centers also has a contract to provide W-t-W services. The Mayors Office of Workforce Development (MOWD), the administrative entity for JTPA and W-t-W funds, is working with IDHS to better coordinate the TANF participant referral process and to ensure that individuals receive the appropriate welfare-to-work services through both networks of IDHS and MOWD contracted service providers. MOWD is also working with W-t-W contractors to recruit eligible participants and is helping to build contractors' organizational capacity to better meet the needs of hard to serve participants and to operate more efficiently and more effectively in a performance based contracting environment.

BEST COPY AVAILABLE

Cincinnati, OH



In Cincinnati, the welfare-to-work component of the Ohio Works First (OWF), Ohio's TANF program, is administered by the Hamilton County Department of Human Services (DHS). Each county Board of Commissioners has signed a Partnership Agreement with the Ohio Department of Human Services (ODHS) specifying expectations for the county's performance under OWF. Hamilton County receives a consolidated fund allocation of and can earn financial incentives based on performance measures, including work activity participation rate. Counties receiving incentives can spend them on any OWF eligible expenditures. Under this arrangement, Hamilton County DHS has contracted with a variety of local partners to help OWF participants reach self-sufficiency. These contracts are primarily for welfare-to-work services that support work activity assignments as well as supportive services that enhance the capacity of participants to engage in work activities. These supportive services include transportation, day care, case management, retention, etc.

Hamilton County DHS has recently reorganized its internal service delivery system into interdisciplinary teams called Integrated Strategic Business Units. These units are comprised of staff from income maintenance, workforce development, child support, and child care departments and are intended to streamline services and provide appropriate support mechanisms to families with multiple needs. In addition, cases are assigned by geographic area to enable more collaboration with existing community support systems.

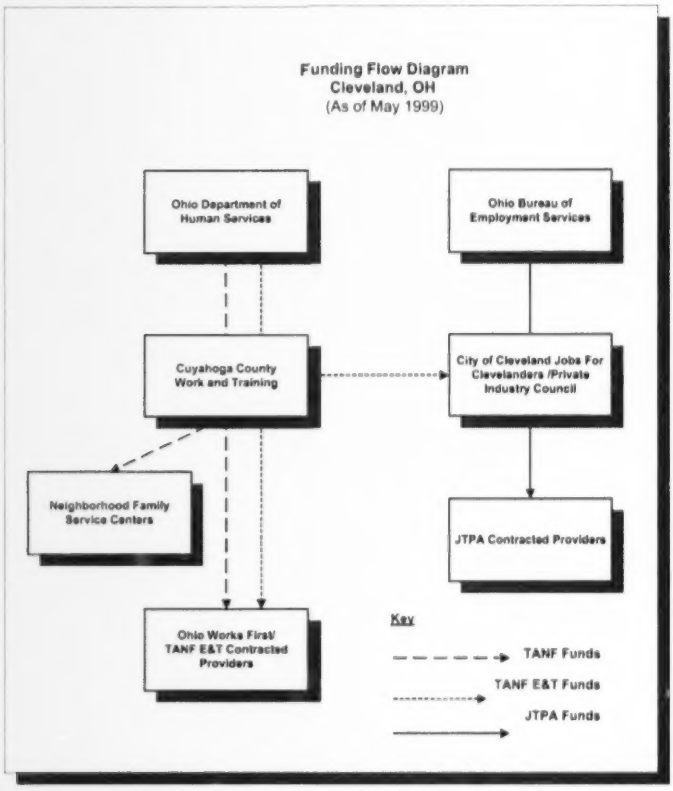
When individuals apply for OWF assistance at one of two county DHS offices they meet with an employment coach who is responsible for determining eligibility and assessing their families' needs. OWF participants are required to sign a self-sufficiency contract with the county DHS, which outlines the family's plan to achieve long-term self-sufficiency through unsubsidized employment. Once a self-sufficiency plan has been developed, the OWF participant works with a team of DHS staff to ensure receipt of the appropriate employment and training and supportive services either through DHS or several contracted providers.

Hamilton County DHS has also received TANF Employment and Training (E&T) funds from ODHS. These state surplus TANF funds replace the US DOL Welfare-to-Work formula funds for which Ohio decided not to apply. These TANF E&T funds are being utilized to provide services to "long term" Ohio Works First participants and other targeted populations. Hamilton County DHS is using these funds to supplement OWF funds to contract with a number of community agencies to provide outreach, case management, and retention services. The City of Cincinnati Employment and Training Department is also receiving a portion of the TANF E&T funds from the Hamilton County DHS to help administer contracts for welfare-to-work and support services.

As part of the contractor referral process, some participants are referred to the Career Resource Center, Cincinnati's One-Stop, for job readiness and other employment services. The Center is operated and managed by the City of Cincinnati Employment and Training Division, while the Department of Human Services and Ohio Bureau of Employment Services both have staff located on-site to provide services. DHS staff on-site have a contract with the Hamilton County DHS to provide employment and labor market information services through a two-week program entitled "Life and Work Planning."

BEST COPY AVAILABLE

Cleveland, OH



In Cleveland, the welfare-to-work component of Ohio Works First (OWF), Ohio's TANF program, is administered by Cuyahoga County Work and Training (CW&T). Cuyahoga Work and Training began operations in January 1998 and is currently reorganizing staff into eleven decentralized community based centers. These Family Service Centers provide a one-stop environment where OWF participants and their families can access information on employment and training opportunities and related support services in their neighborhood. While most services will be provided through these centers, CW&T also contracts with a number of community organizations to provide specific welfare-to-work services, including job readiness, job placement and vocational and occupational training.

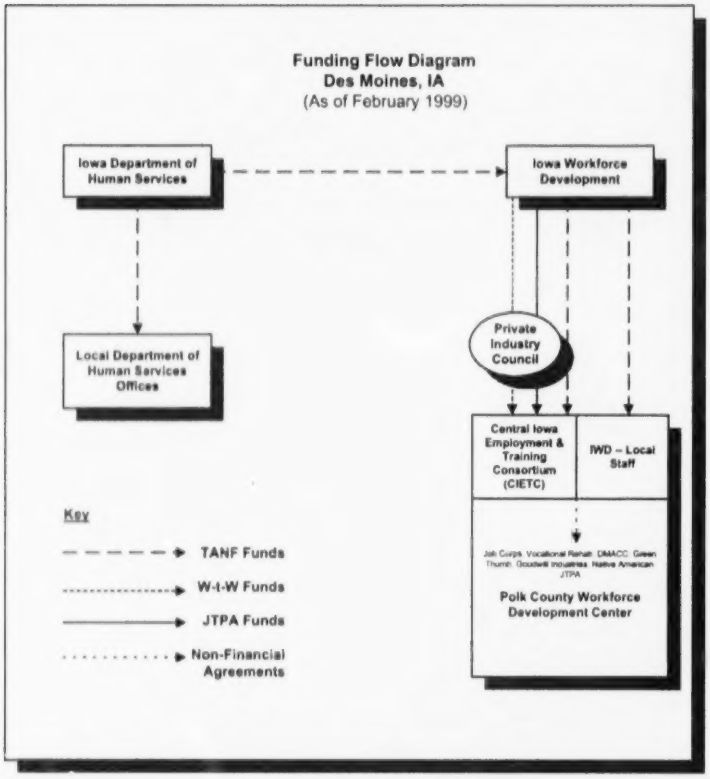
Individuals apply for OWF assistance at the Neighborhood Family Service Center in their area, where they meet with a Self-Sufficiency Coach who is responsible for determining eligibility and assessing their families' needs. OWF participants are required to sign a self-sufficiency contract with CW&T, which outlines the family's plan to achieve long-term self-sufficiency through unsubsidized employment. Once a self-sufficiency plan is developed, the OWF participant receives case management assistance from their Self-Sufficiency Coach and works with other on-site providers to ensure receipt of appropriate supportive services. Individuals are referred to contracted service providers for welfare-to-work assistance based on their specific needs and geographic location.

Cuyahoga Work and Training is also receiving designated funds from ODHS to develop a number of demonstration projects. These funds are currently being utilized, for example, to develop a profiling system to better assess OWF participant needs and determine appropriate service provider referrals based on specific needs and where participants live. Cuyahoga Work and Training is also using these demonstration funds to advance special programs targeting the needs of hard to serve and long term TANF participants. The agency has solicited proposals from community-based organizations to provide assistance to hard to serve participants in one of four targeted areas (ex-offender, entrepreneurial, intermittent employee, and managed care). Cuyahoga Work and Training is currently designing two different programs to provide a safety net for long term TANF participants and their families as well as individuals facing immediate sanctions. These programs require that participants work closely with their Self-Sufficiency Coach to access intensive case management assistance and to be connected with other relevant county agencies and contracted service providers.

Cuyahoga County Work and Training is also utilizing the state surplus TANF funds to replace the US DOL Welfare-to-Work formula funds for which Ohio decided not to apply. The City of Cleveland Jobs for Clevelanders, which is the city's one-stop, is working with CW&T to receive a portion of these funds to provide post-employment career advancement and skills training services to TANF participants residing in the city. Through this partnership, the county will utilize its system of contracted service providers to place TANF participants into jobs and then will refer these individuals to Jobs for Clevelanders for more targeted training and career advancement assistance.

BEST COPY AVAILABLE

Des Moines, IA


Funding Flow Diagram
Des Moines, IA
(As of February 1999)
Iowa Department of Human Services
Iowa Workforce Development
Local Department of Human Services Offices
Private Industry Council
Central Iowa Employment & Training Consortium (CIETC)
IWD – Local Staff
Job Corps, Vocational Rehab, DMACC, Green Thumb, Goodwill Industries, Native American JTPA
Polk County Workforce Development Center
Key
TANF Funds
W-t-W Funds
JTPA Funds
Non-Financial Agreements

There is a single system for the provision of welfare-to-work services in Des Moines. All Family Investment Program (FIP), Iowa's TANF program, participants (excluding those exempt from work activities) are referred by the Department of Human Services (DHS) to the statewide Promise Jobs program. In Des Moines this program is administered jointly by Iowa Workforce Development (IWD) and Central Iowa Employment and Training Consortium (CIETC) through a contract with DHS. Under this arrangement, DHS does not provide any welfare-to-work services and is solely responsible for determining eligibility and referring participants to the Promise Jobs program. CIETC is also the recipient of JTPA and Welfare-to-Work funds in Des Moines. The Welfare-to-Work program builds on the partnership between CIETC, IWD, and DHS for providing welfare-to-work services to TANF participants through the Promise Jobs program. CIETC coordinates service delivery with the Region XII Council of Governments and Iowa Workforce Development, while receiving referrals from the local DHS office.

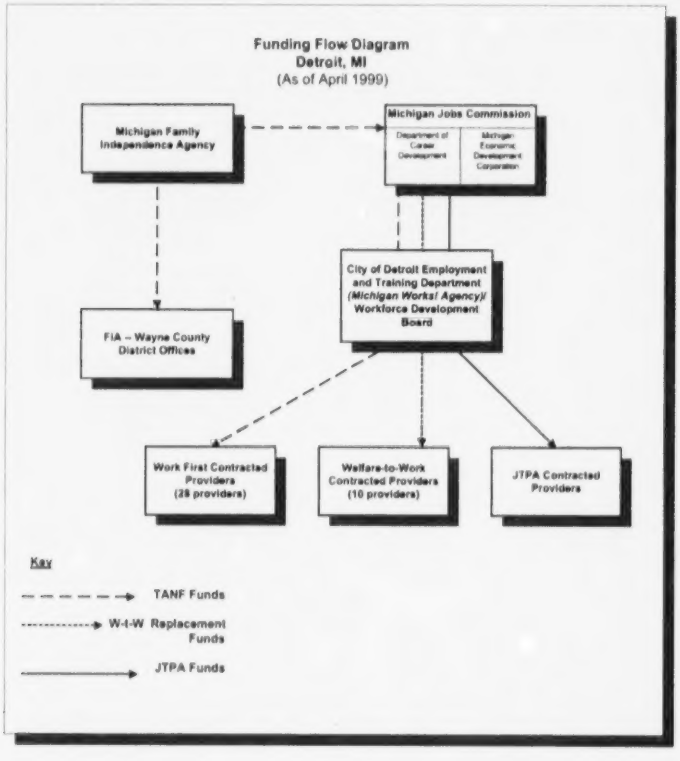
DHS currently refers all welfare participants who are eligible for FIP and able to work to the Polk County Workforce Development Center, the county's one-stop, where IWD and CIETC staff are colocated. All FIP participants are required to attend a Promise Jobs orientation at the Workforce Development Center to learn more about the roles of DHS and IWD/CIETC, as well as participant responsibilities for maintaining relationships with these organizations. After orientation, individuals go through an initial assessment process and then work with Promise Jobs staff to develop a Family Investment Agreement (FIA). IWD and CIETC staff is integrated through various staffing units (intake, classroom, job placement, employer services, etc.) and participants work with different Promise Jobs staff depending on their needs. Promise Jobs staff is responsible for ensuring participants gain employment, but participants maintain contact with DHS staff in order to receive transitional assistance once they have secured a job.

Although FIP clients primarily receive services from IWD and CIETC staff, additional services are available at the Workforce Development Center to meet the needs of Promise Jobs participants. For example, Des Moines Area Community College (DMACC) and Goodwill Industries have non-financial agreements with IWD to facilitate client referrals. Promise Jobs staff refer participants to DMACC for basic education classes at the Center, while Goodwill receives referrals for vocationally disadvantaged participants, most of which will work in Goodwill's plant in a work experience position.

While welfare-to-work services are coordinated through the WDC, legislation was passed in May 1996 establishing the Coordinating Service Provider (CSP) structure, which is intended to integrate and promote quality in the delivery of all employment and training services at the local level. A number of stakeholders in Des Moines have entered into an agreement to create a local CSP to jointly determine service priorities, ensure non-duplication and develop performance measures. Regional Advisory Boards (RABs) were also created to give communities direct input and decision-making ability to address local workforce-related priorities. At the time of our site visits, both the RAB and CSP in Des Moines were new and still in the process of defining their roles. However, the CSP is intended to be the entity through which all state and federal employment and training funds flow for service provision, while the RAB is to be more involved in planning and oversight. Despite the creation of the CSP and RAB, the PIC remains the planning and oversight entity for JTPA and W-t-W funds.

BEST COPY AVAILABLE

Detroit, MI


Funding Flow Diagram
Detroit, MI
(As of April 1999)
Michigan Family Independence Agency
Michigan Jobs Commission
Department of Career Development
Michigan Economic Development Corporation
City of Detroit Employment and Training Department (Michigan Works! Agency)/ Workforce Development Board
FIA – Wayne County District Offices
Work First Contracted Providers (25 providers)
Welfare-to-Work Contracted Providers (10 providers)
JTPA Contracted Providers
Key
TANF Funds
W-t-W Replacement Funds
JTPA Funds

There is one system for delivering welfare-to-work services in Detroit, primarily due to organizational shifts at the state level. The Michigan Family independence Agency (FIA) administers the state's TANF program, Family Independence Program (FIP), and is responsible for determining eligibility and monitoring the program. However, responsibility for Work First, the employment component of FIP, was shifted to the Department of Career Development (formerly Michigan Jobs Commission), which administers all of the state's workforce development programs. Local FIA offices are required to partner with their local Michigan Works! Agency, which maintains oversight of the community organizations providing employment and training services through Work First, Welfare-to-Work, and JTPA contracts. In Detroit, welfare-to-work services are provided by a mix of private for-profit and not-for-profit organizations through a contract with the City of Detroit Employment and Training Department (local Michigan Works! Agency).

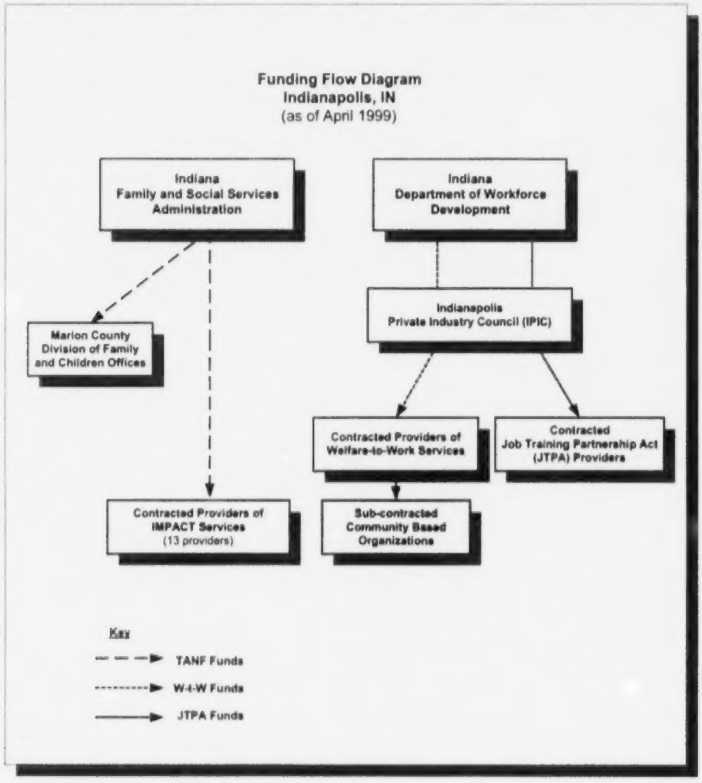
FIA is responsible for making referrals to Work First, jointly conducting orientation, assisting with child care and health care issues, and the conciliation/sanction process. Work First contractors are responsible for providing joint orientation, assessment, job search club, job placement, post-placement follow up, job training, transportation, and clothing. In Detroit there are 22 FIA district offices and each office refers participants to one of two contractors serving the district. Which contractor a client is referred to depends on the caseload of the contractors at the time and where the client lives. Although clients do not have a choice of contractors, they may be able to switch contractors if one is more conveniently located. The contractors in each district take turns conducting the joint orientation with FIA.

During or immediately following orientation, the participant and Work First contractor complete a Family Independence contract. Based on their needs, participants are enrolled in an employment-related activity, or if job-ready, are directed to a prospective employer. Case management is provided by Work First contractors, but participants still interact with their Family Independence Specialists (FIS) at FIA. There is one staff member at each FIA office and each Work First contractor designated as a liaison to ensure appropriate interaction between the agencies. Case managers communicate with FIS workers as much as possible, mostly through the liaison, but sometimes directly when necessary. Although contractors are responsible for ensuring job placement, they only follow participants for ninety days after they become employed. FIA is responsible for long-term follow-up.

Communication between the workforce development and welfare systems occurs regularly at various levels. In Detroit, the City of Detroit Employment and Training Department meets monthly with local FIA district offices to work through problems and to make improvements in service delivery. They also meet monthly with all Work First contractors to share information, experiences and ideas. Electronic connectivity is also being used to reduce duplication of effort between FIA and the Work First contractors. All FIA district offices and contractors are networked and there is currently an electronic data system which is used for a single intake process. Information from the single intake form is entered into the system prior to sending an individual to orientation. Contractors can access this information later and do not have to duplicate the intake process.

BEST COPY AVAILABLE

Indianapolis, IN


Funding Flow Diagram
Indianapolis, IN
(as of April 1999)
Indiana Family and Social Services Administration
Indiana Department of Workforce Development
Indianapolis Private Industry Council (IPIC)
Marion County Division of Family and Children Offices
Contracted Providers of Welfare-to-Work Services
Contracted Job Training Partnership Act (JTPA) Providers
Contracted Providers of IMPACT Services (13 providers)
Sub-contracted Community Based Organizations
Key
TANF Funds
W-t-W Funds
JTPA Funds

Indianapolis is moving toward a more community-based approach to the provision of welfare-to-work services. The Indianapolis Private Industry Council (IPIC) is pursuing a decentralized neighborhood service delivery system to utilize the expertise of community-based organizations to recruit low-income, disadvantaged individuals into training and employment programs and to build partnerships with local employers and community-based institutions. The Marion County office of the Division of Family and Children of the Family and Social Services Administration (FSSA) has also taken steps to decentralize its service delivery approach by closing its downtown Indianapolis office and moving service delivery units to several offices throughout the county, making them more accessible at the community level. FSSA also contracts with numerous community-based organizations for Indiana Manpower Placement and Comprehensive Training (IMPACT), Indiana's TANF program, services. However, each of these agencies seems to be pursuing their decentralization efforts independently.

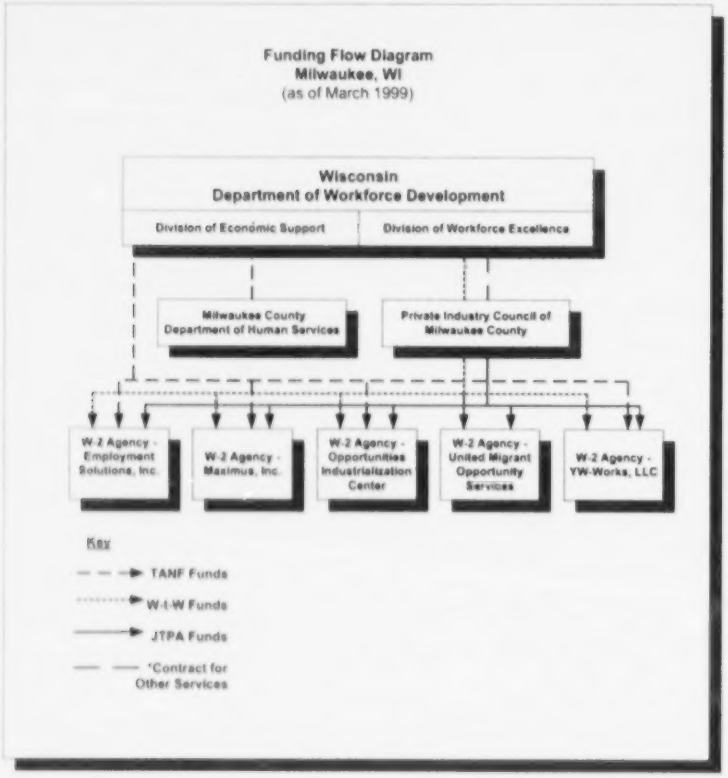
The FSSA recently re-bid and restructured its contracts with IMPACT service providers in Marion County. These contracts are between the FSSA and the providers, but they are negotiated and managed at the local level by the Marion County Division of Family and Children office. The new contracts are designed to encourage the for-profit and not-for-profit contractors providing job search, placement and retention assistance to TANF participants to focus more time and resources on providing post-placement job retention support. The new contracts place greater emphasis on achieving job retention, rather than simply placement.

There are currently four One-Stop Career Centers in Indianapolis. In preparation for implementation of the Workforce Investment Act in July 1999, the Indianapolis Private Industry Council (IPIC) recently selected a consortium comprised of Goodwill Industries, Inc. (currently an IMPACT and JTPA provider), Department of Workforce Development, and Vocational Rehabilitation to serve as the One-Stop operator for the Indianapolis One-Stop centers. Marion County Division of Family and Children staff are currently located at the One-Stop Career Center located at the Goodwill Industries site on a pilot basis. Thus far, this arrangement has been very successful.

Individuals currently request and apply for TANF assistance at one of the five Marion County Division of Family and Children offices. The majority of individuals that enroll in IMPACT are referred to a contracted service provider for job readiness, job placement and/or training services. Participants maintain a relationship with their Family Case Coordinator (FCC) after they are referred to a contractor in order to access supportive services, such as transportation and child care assistance. FCCs are required to communicate with contracted case managers to track IMPACT participation and are responsible for conducting 90 and 180 day post-employment follow-ups.

BEST COPY AVAILABLE

Milwaukee, WI



The workforce development and welfare systems in Wisconsin work together to provide welfare-to-work services to TANF participants. This was facilitated by the creation of the Department of Workforce Development in 1996 to replace numerous overlapping programs with a comprehensive employment and training system. The Department consists of eight divisions, with the Division of Economic Support responsible for administering W-2 (Wisconsin's TANF program), and the Division of Workforce Excellence responsible for administering employment and training programs such as JTPA and the Job Service and for overseeing Job Center (One-Stop) operations.

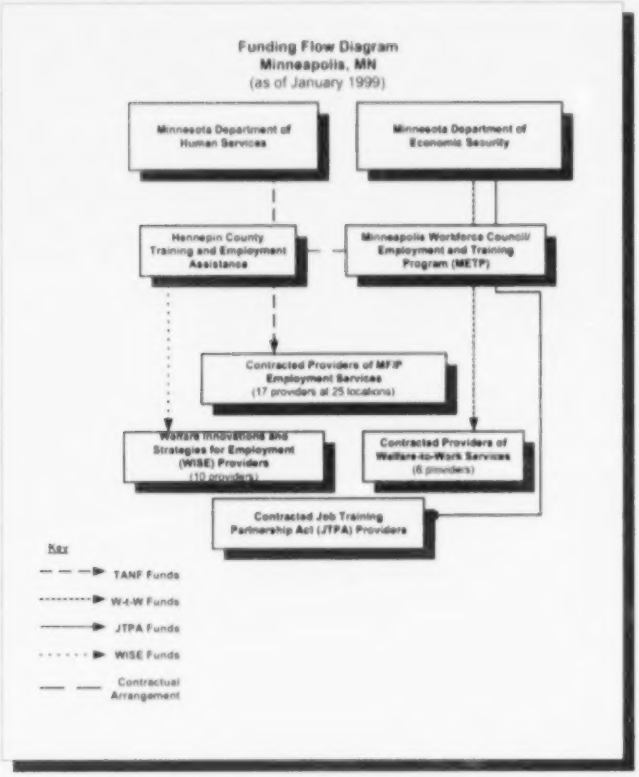
Milwaukee's system exhibits a great deal of integration of workforce development and welfare services, for TANF clients access W-2 services, including eligibility determination and cash assistance payments, and welfare-to-work services in the same location. Through a competitive process, the Division of Economic Support chose five organizations (a mix or for-profit and non-profit) to administer W-2 in the city's six regions. These organizations, referred to as W-2 agencies, deliver services through Job Centers (One-Stops). Other employment and training services, including but not limited to JTPA and Job Service, are also delivered through the Job Center system. The integration of the W-2 agencies with the Job Centers contributes to a seamless delivery system for job seekers regardless of their W-2 status.

Milwaukee's W-2 system differs somewhat from others across the state. Whereas most W-2 agencies in Wisconsin are county governments, in Milwaukee a combination of five for-profit and non-profit organizations act as the W-2 agencies. In March 1999, each of Milwaukee's W-2 agencies qualified for "fast track" renewal of their service contracts, which means that they will not have to participate in an open competition for their next contract. The current W-2 agencies qualified because they had met or surpassed the standards established for an early renewal decision, based on a review of applications and performance data.

Although it is not one of the W-2 agencies in Milwaukee County, the county Department of Human Services (DHS) continues to play a significant role in the provision of W-2 services. County DHS staff is colocated at each of the Job Centers and, under a contract with the Division of Economic Support, is responsible for: determining eligibility for Child Care, Medical Assistance and Food Stamps; developing and maintaining Community Service Job slots; and providing W-2 fraud investigation, collection and management functions.

BEST COPY AVAILABLE

Minneapolis, MN


Funding Flow Diagram
Minneapolis, MN
(as of January 1999)
Minnesota Department of Human Services
Minnesota Department of Economic Security
Hennepin County Training and Employment Assistance
Minneapolis Workforce Council/ Employment and Training Program (METP)
Contracted Providers of MFIP Employment Services
(17 providers at 25 locations)
Welfare Innovations and Strategies for Employment (WISE) Providers
(10 providers)
Contracted Providers of Welfare-to-Work Services
(6 providers)
Contracted Job Training Partnership Act (JTPA) Providers
Key
TANF Funds
W-t-W Funds
JTPA Funds
WISE Funds
Contractual Arrangement

In Minneapolis, the welfare-to-work component of the Minnesota Family Investment Program (MFIP), Minnesota's TANF program, is administered jointly by the city and the county. This unique arrangement was made possible through the execution of a Welfare-to-Work Joint Powers Agreement which delineates the roles and responsibilities of each party. The Minneapolis Employment and Training Program (METP) has primary responsibility for the day to day operation of the county-wide welfare-to-work program, while the Hennepin County Department of Training and Employment Assistance (TEA) is responsible for the development and implementation of the vendor RFP process and contracts with selected vendors. Vendors are selected by a city/county committee and approved by both the city and county Workforce Councils.

The cooperative Joint Powers Agreement also covers implementation of the federal Welfare-to-Work and Hennepin County Welfare Innovations and Strategies for Employment (WISE) programs, thus creating a single system for the distribution of welfare-to-work funds from various sources. This arrangement was designed to ensure that all funding and programs are coordinated to achieve maximum results.

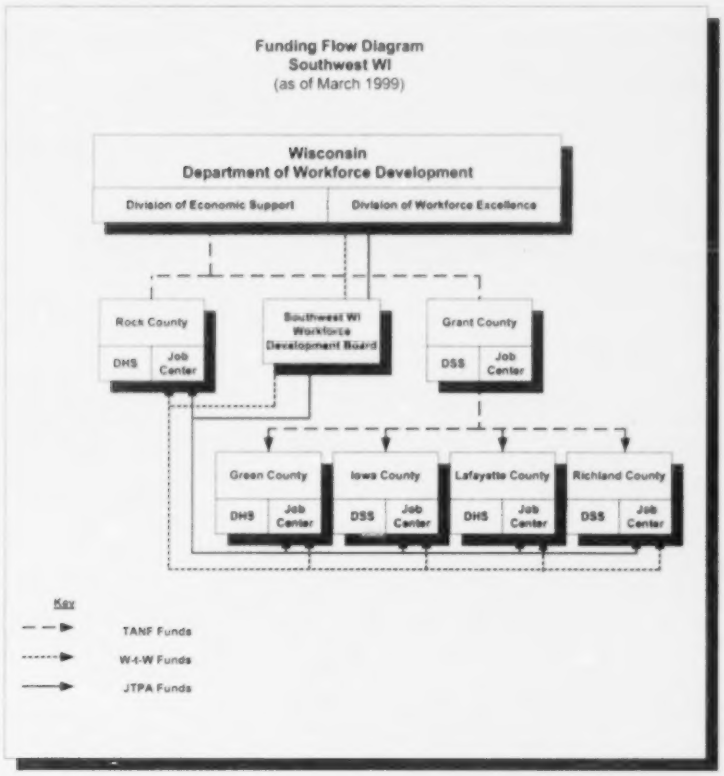
Also notable about welfare-to-work services in Minneapolis is the neighborhood-based service delivery approach. Community-based organizations play a significant role in the provision of welfare-to-work services to MFIP participants. All job search, placement and follow-up/retention services for MFIP participants are provided by 17 service providers at 25 locations across the city, two of which are Minnesota Workforce Centers (one-stops). Many of these organizations provide a wide range of services, which are funded with a combination of MFIP, JTPA and W-t-W funds.

Individuals can apply for MFIP assistance at several locations across the city, but all eligibility determinations are conducted at the central Hennepin County office. All MFIP applicants are required to attend an MFIP group orientation session, at which they indicate their preferences for a service provider. All MFIP participants are assigned to an employment service provider with which they work to develop and implement an employment plan. Although participants must maintain contact with their county economic assistance worker, they work most closely with the employment service provider case manager/counselor to whom they have been assigned. The employment service provider is responsible for ensuring that participants secure and retain employment.

Hennepin County has begun to colocate economic assistance and child care workers at several employment service provider locations on a pilot basis. The county has also undertaken an effort to align a particular economic assistance unit with each contracted employment service provider to facilitate coordination and information sharing.

BEST COPY AVAILABLE

Southwest Wisconsin



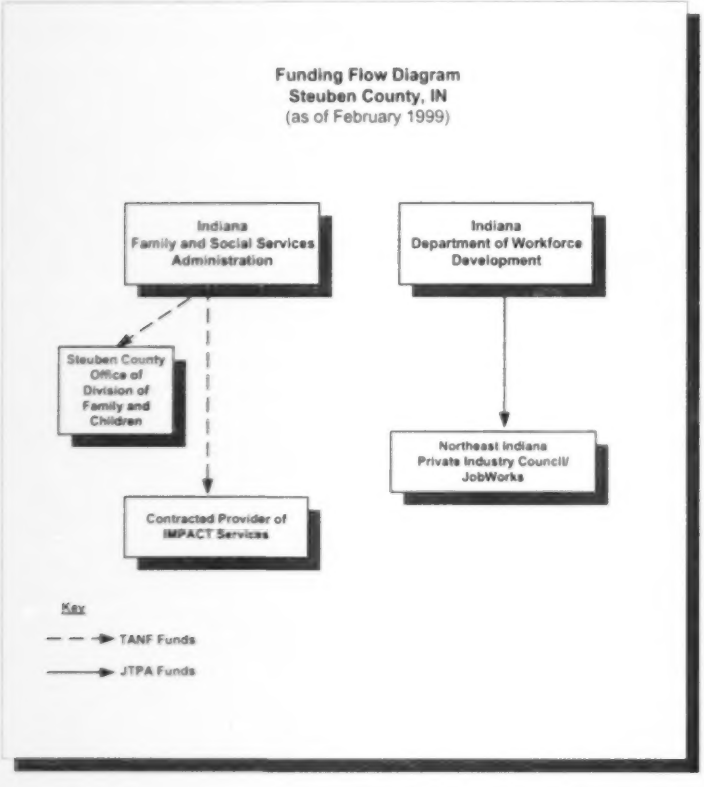
Five rural counties (Grant, Green, Iowa, Lafayette, Richland) in Southwest Wisconsin formed the Southwest Consortium to administer W-2, the state TANF program. Grant County Department of Social Services is the W-2 agency for the Consortium and receives W-2 funds for all five of the Consortium counties. Currently, Wisconsin Job Service and Southwest Wisconsin Workforce Development Board (WDB) staff provide W-2 welfare-to-work services at Job Centers (One-Stops), with WDB staff primarily involved in case management and Job Service staff providing placement services. There is a Job Center in each of the five counties and Department of Human/Social Service staff is located on-site in three of the counties (Grant, Lafayette and Green).

In December 1997, Rock County was merged into the Southwest Wisconsin employment and training service delivery area, in response to Governor Thompson's call for a consolidation of service delivery areas from 17 across the state to 11. The Rock County Private Industry Council also merged with the Southwest Wisconsin Private Industry Council to form the Southwest Wisconsin Workforce Development Board. This new board oversees a service delivery area that includes the five Southwest W-2 Consortium counties (Grant, Green, Iowa, Lafayette, Richland) and Rock County, which has a population approximately equal to the five other counties combined and operates its W-2 program independently. Whereas Job Service and Workforce Development Board staff provide the majority of W-2 welfare-to-work services in the five Southwest Consortium counties, Rock County Department of Human Services staff and a contracted service provider do so in Rock County.

The TANF caseload in the Southwest Wisconsin W-2 Consortium counties is relatively small, especially when compared to those of the large urban cities included in the project. However, Grant County, in particular, has broadened its perspective of its customer base to include all working poor individuals, not just those currently receiving TANF assistance.

BEST COPY AVAILABLE

Steuben County, IN


Funding Flow Diagram
Steuben County, IN
(as of February 1999)
Indiana Family and Social Services Administration
Indiana Department of Workforce Development
Steuben County Office of Division of Family and Children
Northeast Indiana Private Industry Council/ JobWorks
Contracted Provider of IMPACT Services
Key
TANF Funds
JTPA Funds

In Steuben County, the local office of the Family and Social Services Administration, Division of Family and Children (DFC) and a contracted service provider (RISE, Inc.) provide all job search and placement services to the county's IMPACT (Indiana's welfare-to-work program) clients. Job Works, the local JTPA administrative agency coordinates most welfare-to-work services for TANF clients and employment and training services for other working poor individuals. However, although there is funding available (through TANF and JTPA) for IMPACT clients to participate in education and/or training activities, the work requirements prevent many people from doing so. As we heard expressed in nearly every city visited, most TANF participants in Steuben County are unable to work, care for children and also attend additional training.

Steuben County, one of the project's rural sites, is unique in that it is the only project site that does not have a developed One-Stop career center system, nor does it have a full-time Department of Workforce Development (DWD) presence. The closest DWD office, which handles unemployment insurance claims and provides job matching services, is approximately 22 miles away. Therefore, an important piece of the workforce development system and a potentially valuable resource for both TANF participants and the general public is missing in Steuben County. This makes transportation, which is a tremendous barrier for many of the county's IMPACT participants, even more problematic.

However, DWD recently committed to re-establishing a full-time presence in the county. This will contribute to the development of a One-Stop Career Center, which the local welfare planning council has identified as a priority, and will improve the ability for workforce development and welfare efforts in the county to be coordinated.

BEST COPY AVAILABLE

Appendix III—Project Participants

State Level Interviews

Illinois
James A. O'Brien, Office of Development and Assessment, Department of Commerce and Community Affairs
Herb Davis, Department of Commerce and Community Affairs
Lyle Neumann, Job Training Division, Department of Commerce and Community Affairs
Barbara Payne, Bureau of Employability Development Services, Department of Human Services
William Holland, Division of Transitional Services, Department of Human Services
Robert Gray, Division of Transitional Services, Department of Human Services

Indiana
Nina Babich, Department of Workforce Development
Mark Hollman, One-Stop Team, Department of Workforce Development
Jeannie Cipolla-Van Scyoc, IMPACT Program, Family & Social Services Administration

Iowa
Jeff Nall, Iowa Workforce Development
Tony Dietsch, Iowa Workforce Development
Douglas E. Howard, Division of Economic Assistance, Iowa Department of Human Services
Ann Wiebers, Iowa Department of Human Services
Deanne Barnhill, Division of Economic Assistance, Iowa Department of Human Services

Michigan
Linda Kinney, MI Jobs Commission
Janet Howard, MI Jobs Commission
Sharon Parks, MI League for Human Services

Minnesota
Howard Glad, Workforce Center System, Department of Economic Security
Mary Ellen Novotny, Workforce Center System, Department of Economic Security
Steve Erbes, Department of Economic Security
Jean Smith, Department of Economic Security
Larry Eisenstadt, Department of Economic Security
Charles Johnson, Families with Children Division, Department of Human Services

Ohio
Gay Gilbert, Bureau of Employment Services
Robert Haas, Department of Human Services

Wisconsin
John Tuohy, Division of Workforce Excellence, Department of Workforce Development
Sheryl Billups, Division of Workforce Excellence, Department of Workforce Development
Pamela O'Brien, Department of Workforce Development
Alice Wilkins, Division of Economic Support, Department of Workforce Development
Shawn Smith, Bureau of Welfare Initiatives

Local Level Site Visits

Chicago

Richard Crawford, Mayor's Office of Workforce Development
Julie Rubins Wilen, Mayor's Office of Workforce Development
Michael Nolan, Employment & Employer Services, IL Employment & Training Center
Deidra Lewis, Academic Affairs, Planning & Research, City Colleges of Chicago
Yvonne Johnson, Opportunities Program, City Colleges of Chicago
Miles Paris, Department of Economic Security
Isabell Blanco, Department of Human Services
Linda Ester, Wicker Park Office, Department of Human Services
Zona Smith, Department of Human Services

Cincinnati

Greg Baker, City of Cincinnati Employment & Training Division
David Schwier, Hamilton County Employment & Training Agency
Jerry Brown, Greater Cincinnati CareerResource NetWork
Joseph Gorman, Greater Cincinnati CareerResource Center
Nancy Raimey, One-Stop Employment and Training Center, OH Bureau of Employment Services
Cynthia Smith, Hamilton County Department of Human Services
Loretta Workman, Hamilton County Department of Human Services
Jimie Harris, City of Cincinnati Employment & Training Division
Iris Jordan, Cincinnati Career Enhancement Academy
Harold Farmer, Cincinnati Career Enhancement Academy

Cleveland

Daniel Berry, Greater Cleveland Growth Association
Ralph Johnson, Cuyahoga Work & Training Agency
Sandra Bizzell, Cuyahoga Work & Training Agency
Rick Werner, Cuyahoga Work & Training Agency
Jill Heard, Cuyahoga Work & Training Agency
Robyn Gordon, City of Cleveland
Randy Hill, City of Cleveland
Robert Paponetti, Cuyahoga Reemployment Center, Orion Consulting Incorporated
Trucell Johnson, One-Stop Employment and Training Center, OH Bureau of Employment Services

Des Moines

Jack Cline, Polk County Workforce Development Center
Randy Davis, IA Department of Human Services
Darrell Jensen, Central Iowa Employment & Training Consortium
Ramona Cunningham, Central Iowa Employment & Training Consortium
Rich Hargon, IA Department of Human Services
Lisa Michaelson, IA Department of Human Services
Richard Hunsaker, Region XII Council of Governments
Karen Burchfield, Region XII Council of Governments
Katie Roth, Merit Resources
Dr. Tom Glenn, Labor Institute for Workforce Development
Stacey Glenn, Labor Institute for Workforce Development
Terri Vitiritto, Labor Institute for Workforce Development

Detroit
Joseph Egelski, City of Detroit, Michigan Works!
Deborah Watson, Employment and Training Department, City of Detroit, Michigan Works!
Jacqueline R. Thomas, Detroit's Work Place
Aimee B. Davis, Ross Innovative Educational Services

Indianapolis
Kelley Gulley, Indianapolis Private Industry Council
Helen Hardin, Marion County Office of Family and Children
Kimberly Ratliff, Field Consultant
Byron Jensen, Goodwill Industries
Jim Martin, Goodwill Industries
D. Mark Bowell, TTI of Indiana
John Hay, Jr., J.H. Boner Center

Milwaukee
Sharon Schultz, Private Industry Council of Milwaukee County
Bill Malone, Milwaukee Private Industry Council
Dorothy Buchanon, Private Industry Council of Milwaukee County
Caroline Hampton, Private Industry Council of Milwaukee County
Talmadge Wilson, Department of Workforce Development, Division of Economic Support
Mike Netzel, Milwaukee County Department of Human Services
William Martin, Employment Solutions
George Leutermann, MAXIMUS
Dick Buschmann, Financial Assistance Division, Milwaukee County Department of Human Services
David Schrader, MAXIMUS
Sandy Palmgren, MAXIMUS
Glynis Underwood, Employment Solutions
Kathleen Rathburn, Employment Solutions

Minneapolis
Chip Wells, Minneapolis Employment & Training Program
Sondra Lieberman, Minneapolis Employment & Training Program
Lee Berger, Hennepin County Training & Employment Assistance
Suzanne Gaines, Hennepin County
Nancy James, HIRED Northwest
Bob Hand, Department of Economic Security, South Minneapolis Workforce Center
Dan Engstrom, Hennepin County Economic Assistance
Nancy Wiggins, Hennepin County
Bill Brumfield, Hennepin County Training & Employment Assistance
Joe Gaspard, Hennepin County Financial Assistance Division
Sue Meredith, Department of Economic Security, North Minneapolis Workforce Center
John J. Barrett, Rise, Inc.

Southwest Wisconsin
Roberta Early, SW WI Workforce Development Board
Deb Hughes, Southwest Jobs
David Shaw, SW WI Workforce Development Board
Bruce Palzkill, WI Department of Workforce Development
John Angeli, Grant County Department of Social Services

Steuben County
Steve Corona, JobWorks